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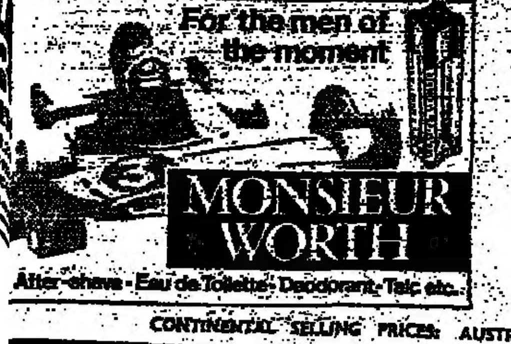
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FINANCIAL TIMES

No. 26,664 Monday May 12 1975

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NEWS SUMMARY

GENERAL

Pathet Lao in virtual control

The Communist Pathet Lao were yesterday on the brink of an effective bloodless takeover of the whole of Laos, the only remaining non-Communist State in what used to be Indo-China, our Asia Correspondent reports. Four Nationalist Ministers resigned from the fragile tripartite coalition on Saturday and it is expected that they will be replaced by neutralists, giving the Pathet Lao control of the Cabinet.

The Communists also announced yesterday that neutralist troops guarding the key town of Vangvieng, North of Vientiane, had allied themselves to the Pathet Lao.

Thousands of people are leaving the country. Flights are reported booked for more than a week and boats are carrying many across the Mekong River into Thailand.

On the fence

South Vietnam will not take sides in the Sino-Soviet dispute, said General Tran Van Tra, president of the Military Management Committee now controlling the country, in a Press conference.

In California former South Vietnamese Vice - President Nguyen Cao Ky said he would like "to organise a sort of kibbutz" with a few thousand refugee families in the U.S. Page 4, Back Page

Ulster rules group meets

The 12-man all-party committee of the Northern Ireland Convention meets to-day for the first time to establish operating rules for the convention. Loyalists dominate the committee by seven to five.

Meanwhile the bitter feud between Loyalist paramilitary armies continues. Leaders of the UDA and UVF said attempts to reach a peace pact had failed.

Security alert for Hussein

Troops and armed police set up road blocks and searched cars on Heathrow Airport's perimeter road yesterday when King Hussein of Jordan arrived in London on a private visit. Page 5

Cypriot lawyers prepare ground

Greek and Turkish Cypriot legal experts meet at the Ledra Hotel in Nicosia to-day to start drawing up proposals for the "powers and functions" of a future central government for Cyprus.

No Alitalia flights

Alitalia yesterday cancelled its flights between London and Rome after a lightning strike by ground staff at the Italian airport.

Mozambique aid

Rhodesia faces further isolation following a British agreement to provide aid to Mozambique, some of which will be compensation for the expected imposition of sanctions. Page 4

Boardroom bugs

Bugging devices are being found in company boardrooms as industrial competition grows fiercer in a contracting market, according to an article in CBI Review. Page 7

Dugdale fears

A major review of security may be ordered in the Irish Republic following the removal of Dr. Rose Dugdale's baby from Limerick prison on Saturday. It is feared the move could be the prelude to an escape attempt.

Briefly . . .

Two British Army officers have been killed on Himalayan slopes by falling rock as they tested equipment for the Everest assault next spring.

Niki Lauda (Ferrari) won the Monaco Grand Prix.

Soccer.—World Cup qualifying match (Limassol): Cyprus 0, England 1.

Lawn Tennis. — Davis Cup (Barcelona): Spain 2, Britain 2. C. Mottram (GB) beat J. Figueras 6—1, 6—0, 6—3; M. Orantes (SP) leads R. Taylor —3, (rain). Page 4

Police have accepted an offer by an American clairvoyant, Mr. Simon Alexander, to help catch the Cambridge rapist.

A senior Italian judge, Giuseppe di Gennaro, kidnapped by an extreme Left-wing group, was released last night.

North Humberside holder of Premium Bond 8WL 604033 wins the weekly £50,000 prize.

BUSINESS

Industry chiefs in favour of staying in

● **COMMON MARKET** membership is overwhelmingly supported by leading British businessmen according to a survey conducted by the Institute of Directors' magazine. Of the 64 questioned, 53 felt their businesses would suffer if Britain withdrew.

However, Mr. Anthony Wedgwood Benn, Industry Secretary, told miners at Barnsley that continued membership would mean steel industry redundancies. Mr. Peter Shore, Trade Secretary, put the annual EEC membership cost at £500m. Page 6

● **BRITISH LEYLAND** may have to axe 33,000 jobs under the terms of the Ryder Committee recommendations, Mr. Michael Heseltine, Tory spokesman on industry, warned yesterday.

Mr. Geoffrey Robinson, managing director of Jaguar has resigned rather than take an alternative post under the Ryder scheme. Back Page

● **COMPETITION** from gas did more to increase the efficiency of the electricity supply industry in Britain than any Government exhortations according to Sir Ronald Edwards, Electricity Council chief. Page 7

● **TEXTILE PRODUCTION** shift to the developing countries could result in the greater part of the British industry being eliminated, Prof. Anthony Bottomley, of Bradford University, warned at the week-end. Page 5

● **NATIONAL COAL BOARD** has won a substantial five-year contract for natural gas from its Yorkshire mines. Page 21

● **BUILDING SOCIETIES** Association does not expect any immediate sharp increase in house prices, its bulletin says. Page 7

● **RETAIL PRICES** Index for April is due out on Friday. It is likely to show a continued high level of inflation. Page 31

● **KUWAIT** has become the latest oil exporter to contribute to this year's IMF petro-dollar recycling facility with an initial offer of SDRs.200m.-300m. This brings the total contributed so far to the IMF to SDRs.3.5bn. Back Page

Israel signs on pact with EEC

● **ISRAEL** signed a trade and co-operation agreement with the EEC in Brussels yesterday. It is the first Mediterranean country not associated with Community members to do so. Page 4

● **JAPANESE WORKERS** in State-run utilities accepted the lowest pay rise for 10 years after a four-day strike. Average rises will be 14.13 per cent.—below the 15 per cent. unofficial ceiling. Page 4

● **CANADIAN** Finance Minister John Turner has warned that he may soon have to impose wage controls if restraint fails. Page 4

LABOUR

● **NATIONAL UNION** of Bank Employees 15 per cent. pay deal for 17,000 staff of Scottish Clearing Banks is likely to attract criticism as it comes eight months after the last increase. Page 5

● **DAILY TELEGRAPH** production was delayed in London last night by unofficial action of some NGA print workers pressing a pay claim.

COMPANIES

● **HAMBROS**, the merchant bank whose shares have weakened, plans to comment next month on the situation concerning loans to the troubled oil tanker industry. Back Page

● **BRITISH ROLLMAKERS** Corporation chairman, Mr. D. F. Dodd, expects pre-tax profit this year to rise from 1974's £1.83m. Page 26

● **AGA**, the Swedish industrial, gas, welding and electronics concern with 200 factories in 19 countries, expects a 10 per cent. growth this year in 1975 earnings. Page 28

● **GUARDIAN ROYAL EXCHANGE** Assurance chairman, Mr. J. E. Collins, expects somewhat better results for 1975. Page 26

● **ESTEL**, the Dutch-German steel concern, suffered a net profit decline in the first quarter to Fls.27.7m. (£4.95m.) against Fls.73.5m. in the first 1974 quarter. Worse results are feared for the second quarter. Page 27

PM moves to restore confidence ● Proposal for pre-Budget planning talks

Wilson warning to dissident Ministers

By RICHARD EVANS, Lobby Correspondent

IN A REASSERTION of his political authority, Mr. Harold Wilson warned dissident Ministers yesterday that after the EEC referendum on June 5 they would have to accept majority Cabinet opinion on all subjects or face dismissal.

His threat, made in lengthy interviews on radio and television, was part of an attempt to damp down the growing conflicts within the Labour Party and to restore international confidence in sterling and the management of the economy.

In a gesture to the critics of the Government's economic policies in general and the performance of the social contract in particular, Mr. Wilson offered both sides of industry the prospect of a pre-Budget planning conference which would try to decide how the national income should be spent each year.

The Prime Minister described the proposal, which took many of his colleagues by surprise, as "not a replacement, but an expansion" of the social contract. The purpose would be for the Government, the employers, trade unions and "other useful people," to reach a consensus on what was left for wages, profits and capital gains after spending on defence, the social services and other essential Government services.

A decision would have to be made on whether a vital social service was going to have to be reduced or whether restraint on incomes would make this unnecessary, Mr. Wilson explained in the World This Weekend programme on London Weekend Television.

No further details about the initiative were available last night, but both the Confederation of British Industry and the Trades Union Congress gave the idea a cautious welcome.

CBI welcome

Mr. Campbell Adamson, Director-General of the CBI, said they wanted the fullest possible information from the Government. "There are still many other things that disturb us, but we welcome that proposal," he declared.

Mr. Len Murray, general secretary of the TUC, thought there was a lot of sense in the Government, unions and employers trying to reach a common view. But he added that further reactions would depend on the form of the proposals and "on the willingness of the CBI to change some of their doctrinaire attitudes."

Other major points made by the Prime Minister in his two interviews immediately after his return from the Commonwealth Premiers' conference in Jamaica and talks with President Ford in Washington, were:

● The economic situation was serious, but not as bad as the "doom merchants" were claiming. The trade situation in particular, had improved markedly since the beginning of the year. On the prospects for a July Budget, the Prime Minister stated: "We shall do whatever is necessary."

● The Government had rejected import controls — a solution favoured by Labour's Left-wing —but Ministers were actively examining controls in such cases as textiles and clothing, where it could be proved that foreign imports were heavily subsidised.

● Chrysler: Mr. Wilson "utterly deplored" the union decision to strike. He was horrified to feel that the company's proposals for participation had been rejected without being examined. He disclosed he had talked to the head of Chrysler International and Chrysler Europe and had received certain assurances on employment.

"But I believe that the assurances I got can only be real if people can agree a reasonable proposition with the Chrysler management, and that is why I utterly deplore what is going on."

● Union power: the Prime Minister agreed that some people felt "the pendulum has swung too far" in favour of the big battalions. He admitted that "this power can be misused" and quoted an instance of an attack he had made on British Leyland workers.

● Coalition government was rejected absolutely by Mr. Wilson. In his view, it would lead to "drift, lack of determination, infighting and political friction." He would have none of it and neither would the Labour Party.

The decision of Mr. Wilson to go on television and radio immediately on his return was taken as an indication of his awareness of the scale of the economic and political crisis that now confronts him.

The Premier did not allow himself to be trapped into a public rebuke of Mr. Anthony Wedgwood Benn, the Industry Secretary, whose outspoken comments in the last few weeks have led to a widening rift between the Government and industry.

But Mr. Wilson made it crystal clear that he was "back at the helm" and, when the referendum campaign ended in three weeks time, Ministers would have to comply with Government policy or resign. Few MPs will doubt that it was Mr. Benn he had primarily in mind.

Harmony

In his interview on BBC Radio, Mr. Wilson declared: "Come the 6th of June, and dissociation of any kind from straight Cabinet policy will not be tolerated. We shall be back to a state of euphonious harmony . . . Every Cabinet Minister will have to go along with decisions, or, of course, he can take his own decision and resign."

He added on ITV another musical metaphor, that there would be "an orchestrated harmony of voices" after the referendum. Mr. Benn, he said,

Continued on Back Page
Extracts from interview Page 30

Central banks to discuss problems of £

BY RUPERT CORNWELL

PARIS, May 11.

THE DEEPENING difficulties of sterling will overshadow the meeting of Central Bank Governors which begins in Basle to-morrow, at a moment when the other major European currencies are looking more stable than for many months.

By the end of last week the pound had hit new lows against not only the buoyant French franc but also the D-Mark and the Swiss franc.

Anxiety was rife in world exchange markets, culminating with a 3-cent fall against the dollar on Friday in New York, and sterling's weighted depreciation from the 1971 Smithsonian parities had reached a record 24.4 per cent.

Doubts grow

In Europe, doubts are growing over whether the British Government will be able to wait until the EEC Referendum of June 5 is out of the way before imposing more severe measures to attack inflation and stabilise the domestic economy.

Apart from a possible technical recovery after the recent steep fall, European markets see few apparent reasons why sterling should not continue under pressure.

The task, therefore, facing the Bank of England team at the regular monthly talks at the Bank for International Settlements will be to explain just how far and how fast the Labour Government intends to let the pound slide.

European Central Banks are deeply concerned that its problems could spill over on to the dollar which has for varying reasons itself been weak recently, and lead to a wholesale foreign exchange crisis.

Anxious

So far, there has been no talk here of any concerted large-scale rescue operation for sterling, and Bank of England support in the market has been limited.

However, the view is widespread that the only factor propping up the pound is the very fear of what would happen to its rate if substantial funds were removed from London, and European Governors will be very anxious to know just what contingency plans the U.K. has in mind.

In any event, after Basle the British situation threatens to dominate subsequent financial meetings in Paris this week.

Discussions begin on Wednesday of the OECD's Working Party Three, while the next day the same senior officials from the industrialised countries change hats to become Deputies of the Group of Ten.

The impact of the pound's decline on the U.K.'s already gloomy payments position in 1975 is almost certain to come up at WP3.

Meanwhile, apart from gold and IMF quotas the Group of Ten will also consider present exchange rate problems, and inevitability that of sterling.

The 'snake'

Indeed, the further weakening of the pound, coupled with France's decision on Friday to put the franc back into the EEC narrow margins agreement, threatens to rekindle the international argument on the relative merits of fixed and floating exchange rates.

With the franc once again in the "snake," the pound would be more exposed than ever in the floating camp alongside a distinctly wobbly dollar.

For France, the move is also an important step towards creating a solid European identity and to provide as French officials have it, a "focus point of stability" in a troubled monetary world.

The hope in Paris is that matters can be completed by the end of this month. The Basle talks will provide an early chance to discuss the technical aspects, while the political decision could be taken as early as May 20, the next scheduled meeting of Community Finance Ministers.

The lira

There are also somewhat euphoric suggestions here that Italy, whose external accounts have staged a remarkable recovery since the turn of the year, could return to the joint float too.

Nonetheless, the lira would have to be substantially devalued from its former parity against the strong European currencies —unlike the franc, which is already more or less within the margins it abandoned in January, 1974.

For the Swiss franc, which is also a candidate for associate membership of the snake, the picture is more complicated. Discussions will almost certainly continue in Basle but this week-end French Finance Minister Jean Pierre Foucade described them as very difficult, a reference to the constant fear that the powerful Swiss franc will in times of unrest drag other participating currencies to unrealistic levels, damaging exports and defensible only at the cost of a drain on reserves.

Graphs of main currency movements, Back Page

Crucial meetings to-day on Chrysler and Dunlop disputes

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

TWO CRUCIAL meetings to-day in Coventry's troubled motor industry could decisively influence the course of strikes that are directly or indirectly involving nearly 26,000 workers in the Midlands and on Merseyside.

At Chrysler, where 4,000 engine workers begin a strike to win an extra £15 a week, a meeting of the shop stewards is being held to hear a report on Saturday's inconclusive seven-hour meeting with management.

If the strike goes on, the jobs of at least 6,000 other Chrysler workers in Coventry and Scotland will be at risk.

And on the other side of the city, at Dunlop Engineering, 700 staff, mainly women, will decide on an amended offer on a 25-27 per cent. wage claim. Some 2,000 other Dunlop workers are laid off and also nearly 13,000 workers at British Leyland factories, where output of six models has been halted. These include all five at Austin Morris and the Triumph TR6.

In neither instance does there seem much hope of the strikes being called off. When the Chrysler workers decided to press for £15 a week more than eight weeks before the current wage pact runs out, only four of an estimated 3,000 at the meeting are said to have raised their hands against a resolution to give the company notice of strike action.

That was before management came forward to make an unquantified offer by May 23 provided there was an immediate return to work. This will probably fail to placate the stewards, who seem solidly behind the demand for a promise from management of £8 a week from July 1, with immediate facilities to negotiate towards £15.

The argument of the negotiators that the workers must have a cash offer now to help restore comparability and what has been eroded by inflation, is unlikely to be challenged, particularly as representatives of another 4,000 at the associated Avenger car plant have also put in the roughly equivalent demand.

The Stoke engine and transmission factory provides components for Linwood, the Scottish operation where Imps and Hunters are made, besides the commercial vehicle factory at Dunstable. A strike could quickly affect 6,000 Chrysler workers and will inevitably impair its ability to meet its lifesaving contract to supply Iran with 150,000 Hunter export kits and 7,000 built up Avengers still outstanding from the 20,000 contract.

In an effort to head off a strike, Chrysler hurriedly brought forward a plan for profit-sharing and worker participation. This seems to have cut little ice with the stewards. Mr. Bob Morris, the militant Transport and General Workers' Union chief shop steward, has called it irrelevant to the pay dispute. He was also critical of the remarks made by the Prime Minister.

He has so far made the running ahead of the softer-spoken Ray Wild, his engineering union opposite number, and in Saturday's protracted negotiations he is reported to have told management he would be prepared never to work again at Chrysler if it could not afford to give an extra £10.

'Pack it in' call

If it could not do so, he challenged the company to "pack it in." That was the way the men felt, he said.

The company pointed out that it had lost nearly £18m. last year and was still losing at the same rate. The action of the stewards if they continue to support a strike and win adherence from a mass meeting later in the week would only confirm the company's need for the £35m. loan it is seeking from Finance for Industry and the application for an additional Government loan.

Nor is there much hope of the Dunlop engineering strike being called off to-day. While the offer of £7-£8 for men and £6.25 for women has been improved upon, it does not anywhere near match the strikers' claim that clerical workers need about £15 a week to restore the position in relation to manual workers.

The strike has interrupted production in all five divisions of the plant, which makes key components for the aircraft, motor and general engineering industries, including most of the car wheels. Except for Austin Morris, which relies exclusively on Dunlop for rubber suspensions, no other customer seems yet to have been affected.

Unions welcome Budget planning

BY ROY ROGERS, LABOUR CORRESPONDENT

TRADE UNION leaders, who in general yesterday welcomed the Prime Minister's proposal for pre-Budget planning conferences involving all interested parties, will discuss it at a meeting this week of the TUC Economic Committee which is due to begin the delicate process of reviewing the social contract guidelines.

Mr. Len Murray, TUC general secretary, commented last night that there was a "lot of sense" in Mr. Wilson's idea—hardly surprising since it resembles the "collective bargaining" on Budgets sought by the TUC at last month's meeting of the TUC-Labour Party Liaison Committee—but also warned that the nation's problems would not be solved by a formula for permanent and negative wage restraint.

Last week, in a major speech delivered at a trade union conference, Mr. Murray, who has already made several unsuccessful attempts to put some teeth into the social contract, urged unions to accept that the days of the high special case wage deals are over and to settle within the TUC's guidelines.

With rail and steel industry unions currently demanding 30 per cent. wage increases when strict adherence to the social contract guidelines should mean rises of about 20 per cent., Mr. Murray's remarks were seen as a call on members of the TUC's key Economic Committee to throw their weight behind the contract at this week's meeting.

Several moderate committee members are expected to urge the adoption of clearer guide lines that would be easier to enforce. The meeting will be the start of a major review of the contract in readiness for the TUC's annual Congress.

Last night Mr. David Basnett, general secretary of the General and Municipal Workers' Union and a leading member of the TUC Economic Committee, described the social contract as "central to our (the TUC's) economic strategy. There is nothing that can replace it."

Welcoming Mr. Wilson's economic planning proposals, Mr. Basnett spoke of the need for a longer view on the management of the economy, with short term reviews. This, he felt, would be more effective than the Chancellor "pulling rabbits out of a hat once or twice a year."

Obviously, the TUC was concerned over social priorities, he added, and when the Economic Committee met on Wednesday it would no doubt take into account what Mr. Wilson had proposed.

This week's Economic Committee meeting was already due to be the forerunner of a post-Budget meeting between the TUC and Mr. Denis Healey, the Chancellor of the Exchequer, who has issued repeated warnings to the unions that he will be forced to introduce an even harsher Budget, including heavier taxation, if the current level of wage claims and settlements is not reduced.

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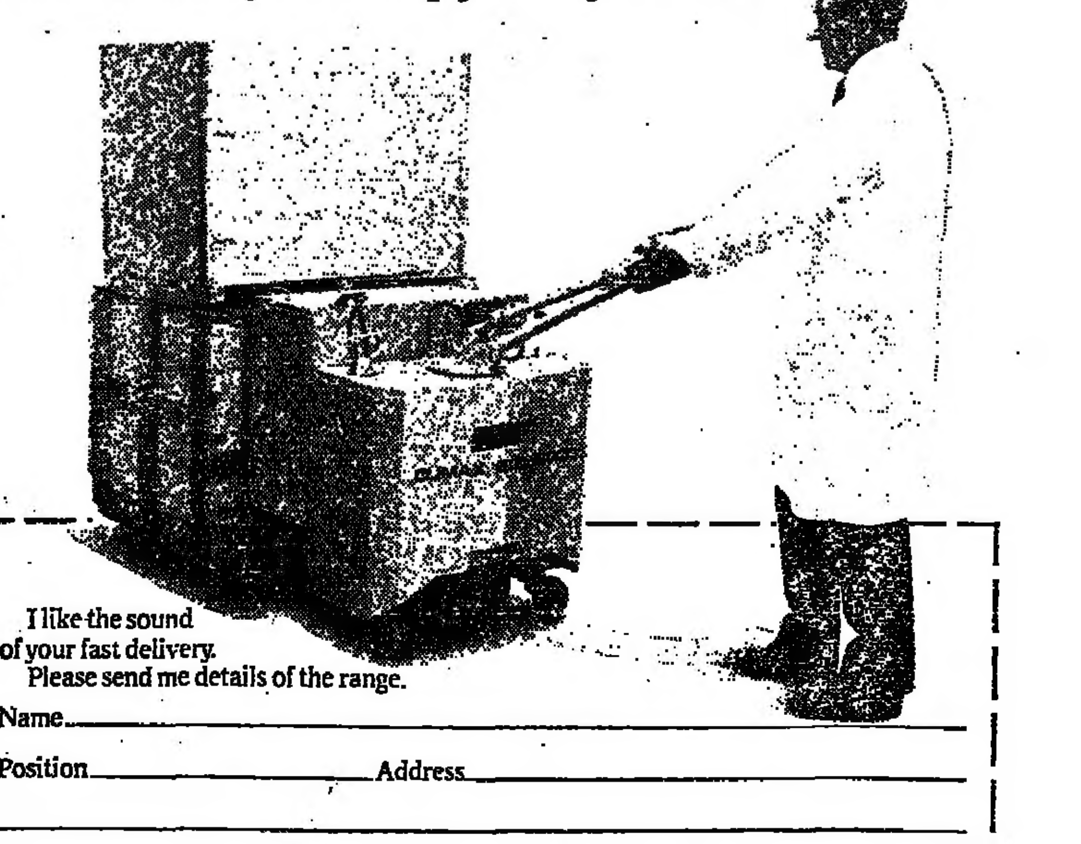

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LOMBARD

A major role for financial power

BY C. GORDON TETHER

THERE are a number of things about the way in which the referendum battle is being conducted that you can be sure the historians of the future will find quite inexplicable.

Foremost among them is the fact that we are actually showing ourselves prepared to tolerate a situation wherein a decision of epoch-making significance is going to be largely determined by the ability of one side to mobilise far greater financial resources for the all-important propaganda assault than the other. For it would be difficult to imagine anything that could constitute a more flagrant affront to the democratic principles we are all supposed to hold so dear.

One of the first things to which the electoral reformers of earlier times turned their attention was the use of bribes or coercion to win the votes that lead to political power. If you think that all this kind of thing has long since been left behind, you should take a careful look at the part that disparities in financial power and influence are playing in the referendum struggle.

Money to finance publicity for promoting your cause is capable of performing exactly the same function in a present-day context as the use of privilege for bribing or coercing voters did in earlier times. If you command greater financial resources than those opposed to you, it is as certain as it is that night follows day that — other things being equal — you will have a much better chance of emerging victorious than they will.

In acute form

And this is precisely what the position is—in extremely acute form as it happens—in relation to the two sides involved in the Common Market referendum. The anti-Marketeers, on the one hand, have to make do on the £125,000 pittance of a grant made available to them by the Government, supplemented by such sums as they can collect by passing the hat round among the ordinary people who constitute the great bulk of their army. The pro-Marketeers, by contrast, can count on access to the ample coffers of a financial and industrial community which clearly believes that continued British membership of the Community is so good for business that it is worth laying out a good deal of money to make sure of it.

The imbalance, which could itself well be of the order of one to 15 or more, is further compounded by the fact that the pro-Market forces can count on the support of almost the whole of the Press. For this means that they can obtain for free a lot of additional publicity — and publicity of the most valuable kind at that—which will not be available to the other side.

Remembering that, even if they are behaving as impartially as they profess to, the broadcast services are far from being a perfect substitute for publicity of the traditional kind, the implication is that the anti-Market cause is labouring under an immense handicap in the most crucial sector of all. Yet what is involved in the EEC debate is a decision of the "once-in-a-thousand-years" variety — to determine nothing less than whether Britain survives as an independent nation or sinks its identity in a European hegemony.

A question

We have stringent rules for making sure that money power does not sway the outcome of general elections — where the choice the public is making is of diminutive significance by comparison with that about to be taken in relation to our European future. What possible justification can there be for allowing this principle to be wantonly swept aside just because in this case the public will be making its feelings known through a referendum?

What will the present generation of voters reply when their children and grandchildren — chafing, perhaps, against the restrictions imposed on their liberties by confinement within a European super-State—demand to know the answer to the following highly pertinent question? How was it that a people which had long proclaimed, by word and deed, its determination "never to be slaves" allowed the superior financial fire-power of the pro-Market army to nudge it over the European threshold?

Yet, beyond a few moans from anti-Market leaders who are suffering the acute frustration of knowing that they cannot hope to get their message across in the way their opponents can while they are so hopelessly out-classed in the financial backing sense, there has been no complaint about this state of affairs. Certainly nothing in the nature of the national outcry that such a scandal clearly calls for.

For, make no mistake, what we have here is nothing less than another manifestation of a "reverse Magna Carta"—with the barons this time identifying themselves with a "code of conduct" that shows a sad disregard for the basic rules of democracy.

THE WEEK IN THE COURTS

Lords ring down curtain

BY JUSTINIAN

THOSE WHO are prominent in the entertainment business and have high earnings not unnaturally become entangled with the tax authorities. So much so that they figure disproportionately among the few who take their tiffs with the Revenue through the gamut of the courts.

The latest celebrity to take to the legal stage is Mr. Trevor Howard, whose appeal to the House of Lords rang down the curtain on a performance that left the Revenue the victor.

The story started in 1959 with a magical transformation scene. A company called Seenspel was formed to receive Mr. Howard's earnings as an actor. The good fairies in attendance who bestowed fiscal favours on him waved their magic wands, so that sums that started as earnings were eventually handed to him in the form of capital receipts.

As Dr. Johnson might have said, only a fool earns money to pay tax; and in 1959 no tax was payable on capital receipts. In that year, the transactions which enabled Mr. Howard to receive earnings from his work as an actor as tax free receipts were legitimate.

But in 1960, the wicked fairy Carabosse who haunts the corridors of power caused a statute to be passed containing a section aimed at depriving this kind of transaction of its fiscal magic.

Under Section 28 of the Finance Act 1960, the Commissioners of Inland Revenue were given the power to take steps to counteract tax advantages. If transactions were carried out, not for *bona fide* commercial reasons, but to gain a tax advantage, the Commissioners could cancel that advantage. This legislation did not apply, however to an ytransaction carried out before April 5, 1960.

The transactions involving Mr. Howard did not come into the limelight of the theatre of the Inland Revenue until 1967. In that year, the Inland Revenue commissioners raised the curtain by notifying him that they had reason to believe that the provisions of Section 28 might apply to his transactions. Mr. Howard then tried to upstage the Commissioners by asserting that all the transactions occurred before April 5, 1960 so that the nefarious section did not apply.

The Commissioners refused to budge, and took the next step in the statutory balletic ritual, issuing a certificate that they saw reason to take further action in the matter. They sent the certificate to a special tribunal appointed for the purposes of the section.

The tribunal also received from the Commissioners a counter-statement giving the reasons why the Commissioners thought that Section 28 applied. From Mr. Howard the tribunal received a statutory declaration stating that the section did not apply, and indicating the facts and circumstances which led to that conclusion.

The task of the tribunal was to decide whether there was a prima facie case for proceeding against Mr. Howard in the matter. How did the tribunal decide this issue?

Did it hear oral evidence? No. Was anyone questioned or cross-examined? No. Did any exchange of arguments on the evidence take place before it? No. Did its members ever meet? No. Did its members ever discuss the matter with one another? No. Did the tribunal ever ask Mr. Howard for his or his advisers' comments on the Inland Revenue Commissioners' counter-statement? No. What then did the tribunal do by way of arriving at its decision?

Copies of the documents were sent to all five members of the tribunal, including the chairman. On March 11, 1969, two of the members sent a reply to the chairman and on March 17 a third member sent his reply. All three replies stated that there was a prima facie case for proceeding against Mr. Howard.

The chairman received no reply from the fourth member, who had in fact been to South Africa and had arrived back in England no earlier than March 17. The chairman did not wait for any reply from the fourth member, but on March 25 came to the same conclusion as had been reached previously by the other three members of the tribunal.

Advisers rally

The registrar of the tribunal sent a written notification dated March 25, 1969 of the decision to Mr. Howard. Lesser mortals than Mr. Howard might have treated this blow as the coup de grâce. But at the beginning of the following year, his advisers rallied.

On February 17, 1970 they asked whether the tribunal had met to decide the matter. On February 26, 1970, the Treasury Solicitor (the Crown Solicitor) stated that no meeting was called and explained the practice followed by the tribunal in conducting its deliberations and reaching its conclusions. Then came Mr. Howard's counterblow. A writ was issued on June 16, 1970, claiming a declaration that the tribunal's decision was null and void. The drama started in earnest.

Act One was a triumph for Mr. Howard. The Vice-Chancellor decided that Mr. Howard was entitled to a declaration. A decision by the tribunal, he found, was valid only if made by all its members; and the tribunal had no power to delegate the discharge of its functions to some of them.

The absence of one of its members abroad or on business did not deprive either Mr. Howard or the Inland Revenue Commissioners of a right to a hearing by a full tribunal.

There was one fly in the ointment. The members of the tribunal had not broken any rule of natural justice by failing to refer the Commissioners' counter-statement to Mr. Howard for his or his advisers' comments.

But no drama ever ends with the first Act. Indeed the scene is only set. Act Two was as much a triumph for the Commissioners as Act One had been for Mr. Howard. The Court of Appeal decided unanimously that the tribunal was properly constituted so long as it consisted of a chairman and any two or more of its members, and reaffirmed that there was no need to refer the Commissioners' counter-statement to the taxpayer.

They agreed with the Vice-Chancellor that a fair-minded member of a tribunal would not have found any ground in the counter-statement either to refer it back to the taxpayer or for discussion with other members of the tribunal.

Last Wednesday witnessed the finale of Act Three. According to the Law Lords, it was obvious that it would not always be possible for all members of the tribunal to sit on every case. The decision made by the chairman and three members was valid. Nor was the chairman under any legal duty to arrange for consultation with the members.

The practices followed by the tribunal were "administrative and procedural practices evolved by experienced businessmen charged with the carrying out of statutory duties." So long as these practices satisfied the requirements of the 1960 Act, they should be readily accepted, provided that the rules of natural justice were observed.

Mr. Howard's appeal to the House of Lords was in vain. But is that the end of the drama over the ample powers of the revenue to strike down certain tax advantage schemes. The Law Lords may feel satisfied with the tribunal's practice. Are we, or should we?

In recent years, tax avoidance has aroused in intelligent taxpayers the same horror which bare table legs used to cause Victorian matriarchs.

But if a matter is referred to a tribunal for its decision, why should not all the members meet and consult with each other to reach a decision?

Why should not the taxpayer have a right both to receive and attend a full hearing in the presence of all members, and to demand the reasons for their decision? Is natural justice really satisfied by sending sets of papers to individuals singly to read privately and for each to make up his or her mind on his or her own?

TV Radio

BBC 1

† Indicates programme in black and white.

9.38 a.m. For Schools, Colleges. 10.45 You and Me. 11.00 For Schools, Colleges. 12.10 p.m. Anno Domini. 12.55 News. 1.00 Pebble Mill. 1.45 Mary, Mungo and Midge. †3.58 Regional News (except London). 4.00 Play School. 4.25 The Clangers. 4.35 Jackanory. 4.50 Blue Peter. 5.15 Hong Kong Phooey. 5.40 Magic Roundabout.

5.45 News.
†6.00 Nationwide.
6.50 Z Cars.
7.40 Whatever Happened to the Likely Lads?
8.10 Panorama In Rhodesia (including interview with Ian Smith).
9.00 News.
9.25 Kojak.
10.10 Churchill's People.
11.05 Choices For To-morrow.
†11.28 Regional News.

All regions as BBC 1 except at the following times:

Wales—1.45-2.00 p.m. Ar Lin Mam. 6.00-6.10 Wales To-day. 6.10-6.25 Party Conference: report on the 1975 Welsh Council of Labour Party Conference at Llandudno. †6.25-6.50 Nationwide. 6.50-7.20 Heddiw. 7.20-8.10 Z Cars. 11.05-11.28 Dewch i Siarad. †11.28 News.

Scotland—6.00-6.50 p.m. Reporting Scotland. 10.10-10.50 Public Account. 10.50-11.15 Choices for To-morrow followed by †Scottish News Summary.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-6.50 Scene Around Six. †11.28 Northern Ireland News Headlines.

England—6.00-6.50 p.m. †Look North (from Leeds, Manchester, Newcastle); †Midlands To-day (from Birmingham); †Look East (from Norwich); Points West (from Bristol); †South To-day (from Southampton); †Spotlight South West (from Plymouth).

BBC 2

†7.05 a.m. Open University.
11.00 Play School
†5.00 p.m. Open University.
7.05 Parents and Children.
7.30 Newsday.
7.45 Look, Stranger.
8.10 The Waltons.
9.00 Rutland Weekend Television.
9.30 Horizon.
10.20 News Extra.
10.50 Open Door.
11.20 Closedown: Robert Powell reads "The Happy Life," by Henry Howard, Earl of Surrey.

LONDON

9.30 a.m. Schools Programmes. 12.00 Mr. Trimble. 12.15 p.m. Noddy. 12.30 Cuckoo in the Nest. 1.00 First Report; News, FT index. 1.20 Lunchtime To-day. 1.30 Emmerdale Farm. 2.00 Good Afternoon. 2.30 "Red Skies of Montana," starring Richard Widmark. 4.15 Cartoon. 4.20 Clapperboard. 4.50 Sky. 5.20 The Ghost and Mrs. Muir.

5.50 News from ITN.
6.00 To-day.
6.40 The David Nixon Show.
7.30 Coronation Street.
8.00 Sadie, It's Cold Outside.
8.30 World In Action.
9.00 Six Days of Justice.
10.00 News at Ten.
10.30 The Streets of San Francisco.
11.30 World Snooker.
11.55 Open Mind.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 2.00 Houseparty. 2.30 Monday Afternoon Film: "The Secret Of My Success," starring James Booth and Lionel Jeffries. 5.20 University Challenge. 6.00 About Anglia. †10.30 Monday Late Film: "My Gun Is Quick." 12.05 a.m. A Book For Today.

ATV MIDLANDS

1.20 p.m. Lunchtime Newsdesk. 2.30 Monday Matinee: "The First Men In The Moon," starring Edward Judd. 5.20 University Challenge. 6.00 ATV Today. 10.30 Platform For Today. 11.10 A Place In History.

BORDER

†1.25 p.m. Border News. 2.00 Houseparty. †2.30 Monday Matinee: "The Tunnel of Love," starring Doris Day. 5.20 University Challenge. 6.00 Border News and Lookaround. 6.15 Look Who's Talking. 10.30 UFO. †11.25 Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 2.00 Play With A Purpose. 2.30 The Monday Matinee: "Scared Stiff." 5.20 University Challenge. 6.00 Channel News. 6.10 After Six. 10.30 Play. 11.00 The Protectors. 11.30 News and Weather in French followed by Channel Gazette.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 2.30 Flair. †3.00 Monday Matinee: "Eight Iron Men," starring Lee Marvin. 5.20 University Challenge. 6.00 Grampian News. 6.10 Who Are You? 10.30 A Place In Europe. 11.00 Orson Welles Great Mysteries. 11.30 Evening Prayers.

GRANADA

1.20 p.m. This Is Your Right. 2.30 Monday Matinee: "The City," starring Anthony Quinn. 4.15 Cartoon. 5.15 The Pied Pipers. 5.20 Wait Till Your Father Gets Home. 6.00 Granada Reports. 10.30 A Place In Europe. †11.00 The Late Film: "The Fastest Gun Alive," starring Glenn Ford.

HTV

12.30 p.m. Kenneth McKellar at Home. 1.20 Report West Headlines. 1.25 Report Wales Headlines. 2.00 Housecall. †2.30 The Monday Matinee: "September Affair," starring Joan Fontaine. 5.20 Rock On With 45. 6.01 Report West 6.22 Report Wales. †10.30 The Korda Classics: "Lydia," starring Merle Oberon and Joseph Cotton.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion Y Dydd. 2.00-2.30 Hamdden 6.01-6.22 Y Dydd. 8.30-9.00 Yr Wythnos.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.22-6.45 This Is The West This Week.

SCOTTISH

1.25 p.m. Road and Weather Report 2.00 Housecall. 2.30 Feature Film: "Anything Goes," starring Bing Crosby and Mitzi Gaynor. 5.20 Women Only. 6.00 Scotland Today. 10.30 The Lion's Share. 11.15 Late Call. 11.20 Wish You Were Here.

SOUTHERN

1.20 p.m. Southern News. 2.00 Houseparty. 2.30 The Monday Matinee: "A High Wind In Jamaica." 5.20 The Flintstones. 6.00 Day By Day. 10.30 A Place In Europe. 11.00 Southern News Extra. 11.10 The Odd Couple. 11.40 Guideline. 11.45 Farm Progress.

TYNE TEES

9.25 a.m. Starting Point. 2.00 p.m. Housecall. 2.30 Monday Matinee: "The Pleasure Seekers," starring Ann-Margret 4.20 Zigzag. 5.20 University Challenge 6.00 To-day At Six. 6.40 Police Call. 10.30 Barnaby Jones. 11.25 Late News Extra 11.35 Famous Folk of Richmondshire.

ULSTER

1.20 p.m. Ulster News Headlines. 2.00 Women Only 2.30 Monday Matinee: "Count Your Blessings," starring Deborah Kerr and Rossano Brazzi. 4.18 Ulster News Headlines. 5.20 University Challenge. 6.00 UTV Reports. 10.30 Monday Night. †10.40 Monday Movie: "Intent To Kill," starring Richard Todd.

WESTWARD

12.25 p.m. Gus Honeybun's Birthdays 1.20 Westward News Headlines. 2.00 Play With A Purpose. †2.30 The Monday Matinee: "Scared Stiff," starring Dean Martin and Jerry Lewis. 5.20 University Challenge. 6.00 Westward Diary. 6.20 Sports Desk. 10.30 Play. 11.00 Westward Late News. 11.03 The Protectors. 11.30 Faith For Life.

YORKSHIRE

1.20 p.m. Calendar News. 2.30 Monday Matinee: "The Pleasure Seekers," starring Ann-Margret and Anthony Franciosa. 5.20 University Challenge. 6.00 Calendar. 10.30 Emmerdale Farm. 11.25 Checkmate.

RADIO 1 247m

(S) Stereophonic broadcast.

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn from Warrington. 12.00 Johnnie Walker including 12.30 p.m. Newsbeat. 2.02 David Hamilton (S) also on VHF. 5.00 Newsbeat. 5.15 John Peel with Top Gear. 7.00 As Radio 2 until 12.33 a.m. closedown.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Simon Bates (S) with The Early Show including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.50 p.m. Cricket Scoreboard. 1.55 Good Listening (VHF) 2.02 David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45, 3.45 and 4.45 Sports Desk. 5.02 Waggoners' Walk. 5.17 John Dunn (S) including at 5.45 Sports Desk. 6.45 Sports Desk. 7.02 The Impressionists. 7.30 Cricket Scoreboard. 7.32 Alan Dell: The Dance Band Days. 8.02 The Big Band Sound (S). 9.02 We Called It Music (S). 10.02 Sports Desk. 10.05 Tom Edwards (S) with Music Through Midnight and 12.00 News. 12.31 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

‡ Medium Wave only.

7.00 a.m. News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: John Ireland (part mono) (S). 10.00 Talking About Music (S). 10.30 Harmoniemusik (S) 11.15 Peter Wallfisch: piano recital (S). 12.00 Orchestral Concert: Haydn, Mendelssohn (S). 1.00 p.m. News. 1.05 BBC Lunchtime Concert: Busoni Ives, Schumann (S). 2.05 Tchaikovsky: Piano Concerto No. 2 in G major (original version). 2.50 The World Of Operetta (S): part 1, Oscar Straus. 3.50 French Organ Music (S). 4.55 Bandstand (S). 5.25 Pied Piper (S). ‡5.45 Homeward Bound. ‡6.05 News. ‡6.10 Homeward Bound (continued). ‡6.30 Study On 3. 7.30 Portrait of an Orchestra: London Symphony Orchestra (S). 9.30 Haydn and Beethoven (S). 10.30 Music of the Bauls of Bengal. 11.05 Anthony Milner on a gramophone record (S) 11.25 News.

Radio 3 VHF only—5.45-7.30 p.m. and 12.00-12.20 a.m. Open University.

RADIO 4 434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming Week. 6.40 Prayer for the Day. 6.45 Today including 6.50 and 7.50 VHF Regional News. 6.55 Weather, programme news. 7.00 News and more of Today. 7.27 Sportsdesk. 7.35 Today's Papers. 7.45-7.50 Thought for the Day. 7.55 Weather, programme news. 8.00 News and more of Today including 8.27 Sportsdesk. 8.35 Today's Papers. 8.45 John Ebdon with recordings from the BBC Sound Archives. 9.00 News. ‡9.05 Start The Week With Richard Baker. 10.00 News. ‡10.05 Wildlife. 10.30 Daily Service. ‡10.45 Morning Story. ‡11.00 News. ‡11.05 Any Questions? 11.50 Announcements. 12.00 News. 12.02 p.m. You and Yours. 12.27 Desert Island Discs ‡12.55 Weather and programme news. VHF (except London and SE) Regional News. 1.00 The World At One. 1.30 The Archers. 1.45 Woman's Hour (‡from 2.00) including 2.00-2.02 News. ‡2.45 Listen With Mother. 3.00 News. 3.05 Afternoon Theatre. 4.35 Story Time 5.00 PM Reports. ‡5.50 Financial Report. VHF Regional News. 5.55 Weather, programme news. 6.00 News. 6.15 Does The Team Think? 6.45 The Archers. 7.00 News Desk. 7.30 Lord Peter Wimsey 8.00 The Monday Play: "The Deep Blue Sea." 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book At Bedtime. 11.00 The Financial World Tonight. 11.15 Today In Parliament. 11.30 News.

For Schools: VHF only—10.05-11.40 a.m. and 2.00-3.00 p.m.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour 9.02 Downtown. 11.03 In Town. 12.03 p.m. Call In—1. 12.45 London News Desk 1.03 Call In—2. 2.03 206 Showcase. 4.03 You Don't Have to be Jewish. 4.32 Home Run including Traffic information. Scotland Yard Crime Report. Greyhound Tips and What's On (London News Desk at 5.00, 6.00). 7.00 In Town. 8.00 Close-Up. 8.30 Breakthrough. 10.03 Robbie Vincent's Late Night London. 12.00 As Radio 2 until closedown.

London Broadcasting

261m and 97.3 VHF

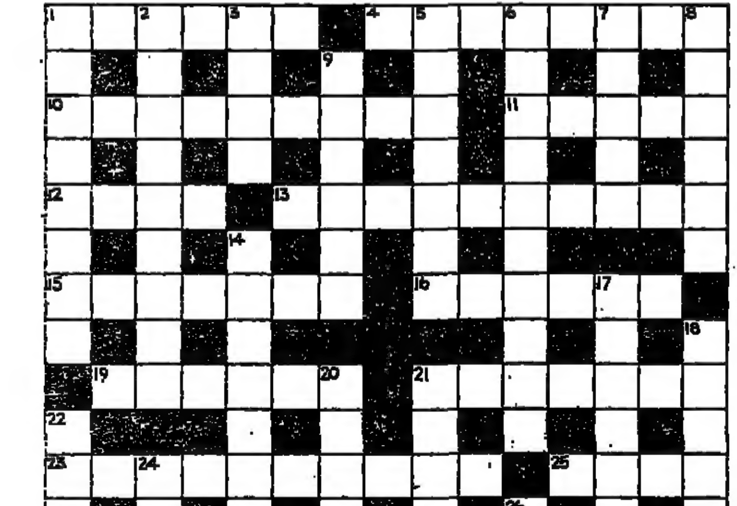
6.00 a.m. "A.M.": News, interviews, traffic and travel news, plus sport, with Douglas Cameron and Clive Roslin. 10.00 Open Line with George Gale. 12.00 Newswatch. 6.00 p.m. Newsbreak. 7.30 Music in Stereo, devised by Andrew Carnegie. 9.00-1.05 a.m. Love in London, presented by Adrian Love.

Capital Radio

194m and 95.8 VHF

6.30 a.m. Kenny Everett with 2½ hours of music and madness. 9.00 Michael Aspel with music, features, advice and swopshop. 12.00 Cash on Delivery with Dave Cash and Music. 3.00 p.m. Roger Scott with Music. 7.00 London Today. 7.30 Open Line. 9.00 Nicky Horne's rock show. 11.00 Tony Myatt's late night on Capital. 2.00 Night Flight.

F.T. CROSSWORD PUZZLE No. 2,775



ACROSS

1 The jargon of toddlers (6)
4 Standards make more of a London theatre (8)
10 Crazy within a month, we gather (4, 2, 3)
11 Recommended for home laundering when soiled (5)
12 A cry of disapproval—you'd be an owl to do it (4)
13 A note of sweet nothings (6-4)
15 Listless person of distinction (7)
16 River visited and revisited (6)
19 City for a female in 'Arry's headgear (6)
21 Held in thus as an unbeliever (7)
23 Cheering arrival round the stronghold (10)
25 Nevertheless one follows in the Himalayas (4)
27 I got after 007 on the beach (5)
28 The agent is to function about four (9)
29 "And —— metal flowed to human form" (Pope) (8)
30 Choice for the French in the group (6)

DOWN

1 Liking for a swansong (8)
2 Retaliatory headdress (3, 3, 3)
3 In the finish I got the girl (4)
5 High rank received by an author (7)
6 If you mean business chat up the bird (4, 6)
7 Musical composition from a strange donor (5)
8 In addition the girl is on the river (6)
9 Policeman in Ireland shows control (6)
14 At length we see a sailor (4-6)
17 In addition there is a suggestion of dishonesty (2, 3, 4)
18 "Of his bright passage to the ——" (Richard II) (8)
20 Put in writing when losing at Wimbledon (3, 4)
21 Part badly nursed (6)
22 Bob finds the taxi driver worthless (6)
24 Where to find the minister? You'll find yours truly holds the solution (5)
26 A spread for the Head (4)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

RUGBY BY PETER ROBBINS

Widnes sink Warrington with calm and confidence

ONE OF the most agreeable aspects of the Wembley Rugby League final is its family atmosphere. This, coupled with the obvious enjoyment of everybody coming to the ground, makes it a unique occasion.

Although having disparate hopes, Saturday's supporters shared a greater unifying longing that the game would be a good example of the code.

These hopes were magnificently realised as Widnes beat the fancied Warrington 14—7. This result bore out the forecast of that distinguished father and son, Gus and Bev Risman, who warned me before the match that Widnes were capable of great things.

One interesting feature of the game was the judicial power of the linesmen, both of whom helped the referee enormously. The Union code could well adopt this system with advantage at the top level.

Widnes had a horrible start as Bevan scored for Warrington after only four minutes, with Whitehead converting. It was a precious lead but thereafter, Widnes with immense calm and confidence took the game to Warrington and grew in stature. Warrington became almost cowed and finally totally dispirited.

Dutton, awarded the Lance Todd Trophy, kicked three penalties for Widnes before half-time. Between the second and third, he converted a try by Mills, the mountainous yet mobile prop.

This came after a series of lunges notably from Aspey and Laughton. Quick passing from a play-the-ball and a dummy from Hughes made the try, giving Widnes a half-time lead of 11—7.

Alex Murphy sent on Briggs and Nicholas before and after half-time respectively, and Nicholas brought a greater sense of construction to his team. Whitehead added a penalty immediately after half-time.

Anderson for Widnes was sent away on the left but was tripped and incredibly no penalty try was given. Eleven minutes after the break Dutton dropped a goal and two minutes later added a penalty to end the scoring.

Widnes' adventure, allied to their skill and fitness, deservedly won them the game. They were vastly quicker in the play-the-ball situations and rotated the ball carrier cleverly where Foran and Laughton were o standing.

Sheridan was always in t action as well. The farc scrums were more product for Widnes, thanks to Elw but it was the clever link between Hughes and Bowd and the forwards that Warri ton found puzzling.

Poor Warrington could little right after their eupho start. Part of the problem v first that they lingered, th clustered too closely at the pl the-ball, bringing no variety their play.

They could not bring Bev into play at all and the o way they looked like scoring v from an interception. W Widnes playing so accurat this was a minute possibility

Chisnall, their abrasive c tain, tried hard and was v supported by Ashcroft, but th was no spark to set fire to rest of the team. Too frequen they lost possession quite m lessly, particularly when t became desperate later on.

Possession is the name of game and Widnes needed gratuitous encouragement a they earned their victory their own collective merits.

CRICKET BY TREVOR BAILE

Too many bouncers latel

THE BOUNCER is a deliberately bowled, fast, short ball which, if the recipient fails to take action, should hit him between his ribs and head. For a very long time this delivery has been a useful psychological and physical weapon in the armoury of fast, and fast-medium bowlers.

There have always been players, both good and indifferent, so frightened by the prospect, or the possibility of the bumper, that they seldom troubled the scorers when they were confronted by a genuinely hostile bowler.

Pace men instinctively scent fear and exploit it. One of that numerous band of Fred Trueman's rabbits was a highly talented stroke-maker, but he never made runs against Yorkshire—until he took a double century off them, when Fred had been left out of the side!

Some people, mostly batsmen, I suspect, would like to see the bouncer outlawed on humanitarian grounds, but I believe this to be wrong, as it would eliminate three of the most exciting sights in the game such as a Wes Hall endeavouring to pin some unfortunate to the sight screen . . . a Denis Compton hooking . . . or a Reg Simpson disdainfully watching as the ball flies past.

Bouncers upset the concentration of the apprehensive, and make it an invitation to hook, a shot which, if played incorrectly, often leads to a wicket. They sometimes produce a catch from an involuntary defensive stroke. And they can flatten a batsman, occasionally leaving one less to dismiss.

The trouble in recent years is that too many bouncers have been delivered. Although in the past I have been on the receiving end of four and five in one over, these were comparatively rare occasions and umpires, especially in this country, have usually intervened when more than about one per over was sent down, on the grounds of intimidation.

They were seldom unloosed at the "tail," because one reckoned to bowl them out.

Deficiencies

The main reason for the present increase is that—due largely to deficiencies in batting technique—bouncers have been securing so many easy wickets. Last winter in the first Test, 50 per cent. of the Australian side fell to them, and against India last summer the ratio was approximately one wicket for every six bouncers sent down, even though none of the English bowlers was exceptionally quick.

It was, therefore hardly unexpected that Lillee and Thompson, both genuinely fast and bouncer-happy, would cause havoc in the ranks of the MCC, when one remembers the way Boyce, Julien and Holder had routed our batsmen in England two summers ago.

The subject of bouncers is now on the agenda of the annual International Cricket Conference. At the end of this month, a result of a request f Pakistan, who meet Australi the first round, there will b special meeting of the count concerned to discuss them relation to the Prudential W Cup and to find out whether instructions already given our umpires about intimida are sufficient. My view is these will prove more adequate.

There must also be a doubt as to the wisdom bouncers in limited-over cri Certainly many batsmen w rate their chances of scoring a bumper from Arnold b than from a good-length from the same bowler.

It has been suggested bouncers against lower-o batsmen should be banned. C indeed, the fast bowlers' u had an unofficial understan not to bowl them at each o However, this prospect coul easily be abused that it mus a non-starter.

Although a bumper can, has occasionally, injured a man, he is in considerably danger than a fielder in an u close position. The really pleasant delivery is not, in the fast long hop, which is time to negotiate, but ra the ball that lifts sharply just short of a length.

With their exceptional Lille and Thompson, on pitches, are bound to score s direct hits, but boun unpleasant as they can be, o not to cause undue trouble.

YACHTING BY ALEC BEILB

New Morning Cloud launched

WHILE the British Admiral's Cup triallists continued their sparring in the Solent this weekend, producing a result that has done little to elucidate the eventual outcome of next month's official trials, the spotlight turned on the launchings of two new yachts that will join the hunt for the three places in the British team.

Yesterday, amid the traditional air of informality that has always surrounded the launching of his yachts, Ted Heath invited his stepmother, Mrs. Mary Heath, to launch the new Morning Cloud, an aluminium-hulled 45 ft. yacht designed by Rod and Olin Stephens of New York, built by Allday Aluminium and completed by Camper and Nicholsons of Gosport in record time. Work started on the yacht only during late January.

An out-and-out racing machine, the new yacht incorporates many of the features of her predecessor, but being metal-hulled is painted a pristine white rather than the high gloss varnish finish of the two previous wooden yachts.

Simplicity of rig and no concession to home comforts are all part of the Morning Cloud tradition while most of her crew are veterans of the earlier yachts of her name. Her new navigator is Peter Nicholson, managing director of the yard in which she was completed.

To-day Ron Amey, another regular contender for a place in the British Admiral's Cup team, launched the tenth of a long succession of Noryemas.

The new yacht is, at 46 ft. overall length, similar to Morning Cloud but differences in her hull shape and sail area will give her an approximate IOR measurement of 36 ft. as opposed to Morning Cloud's expected 33 ft. for handicap purposes.

Loujaine, the 1971 Prospect of Whitby, now owned by Sir Maurice Laing and Leslie Holliday, took the Solent points honours on handicap, heading Robin Aisher's Yeoman XX and Ernest Juer's Brother Cup, again a former Prospect of Whitby.

The success of Loujaine, petition of last week victory in the 204-mile Seine race, is subject to a 1 per allowance for age given on handicap time and she will tinue to take advantage o until the Admiral's Cup officially start, collecting points in the 13-race S points series and the Championship.

The race, organised by Royal London YC, was set a 32-mile course from Cow Christchurch Ledge and and strong favourable tide the outward leg and for mu the long run home favoure smaller yachts but led to a struggle between the Bob M designed Cell V, Bill McCo Synergy, Tony Morgan's M designed More Opposition John Prentice's Battlecry.

Battlecry, suffering from blems from the start, caug lost ground but fell away in the closing miles of the while one of her deadliest Dave Johnson's Casse Tete over the line at the start.

RACING BY DOMINIC WIGA

African Winner for Piggott

DR. CARLO VITTADINI, whose top class colt, Grundy, will go for the Irish 2,000 guineas on Saturday, may well have another three-year-old of classic ability in Patch

This St. Paddy colt could hardly have been more impressive when landing Saturday's Ladbroke Derby Trial Stakes at Lingfield.

Sent into the lead as the eight-runner field turned into the home straight Patch gradually began to forge clear of his pursuers and at the winning post he had opened up a gap of 10 lengths between himself and his closest challenger, Anne's Pretender.

The odds-on favourite, Romper, whom many had expected to be Lester Piggott's mount at Epsom, was never going well at any stage and although third, finished 18 lengths behind the winner. He can now safely be ruled out of Derby consideration.

The leading bookmakers reacted to Patch's win by pricing him from between 14-1 and 16-1 for the Derby—a tempting price were he a certain runner.

However, as things stand, it seems likely that Grundy and No Alimony will represent the Seven Barrows stable at Epsom while Patch will be sent to the Curragh to try and follow up English Prince's success of a year ago in the Irish Derby.

Lester Piggott, who gained slight compensation for Romper's abyssmal showing when Brave Panther defeated Matinee's previously unraced half-brother, *Rehearsal*, in the Parthia Stakes, rides at Windsor this evening.

Piggott's best mount, in my opinion, is that fast juvenile, *African Winner*, who goes for the Blue Charm Plate (7.40). The Newmarket two-year-old was always going far too well for his 12 opponents when winning the May Plate on 1,000 Guineas day.

Although he is badly drawn I expect him to master the course winner, *Tengarlos*, well drawn at 16.

Many racegoers will dou expect to see Piggott programme by landing the Lodge Plate (8.40) on the Warwick winner Exquisite He may well succeed, have slight preference another recent winner, *Att General.*

WINDSOR
6.10—Some Jewel
6.40—Philmont
7.10—Old Man Dimple
7.40—African Winner*
8.10—Carlton House
8.40—Attorney Genera

AYR
2.15—Asset
2.45—The Rebel II
3.15—Segrev
3.45—Scarba*
4.15—King Midas
4.45—Pickwick

NOTTINGHAM
6.00—Morey St. Denys
7.00—Double Pearl

WORCESTER
2.30—Kernel Marty
3.30—Ptarmigan III

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هكذا من الأصل

iverpool Everyman

Breezeblock Park

by MICHAEL COVENEY

After the success of *John, eorge, Paul, Ringo . . . and Bert* still running at the Lyric), iverpool playwright Willy ussell has returned to base with grim comedy of lower middle ass lifestyles. The model is early, and surprisingly, Alan yckbourn, for the play springs rom the domestic tensions and etty cruelties committed be een three inter-related married ouples brought together for outine seasonal purposes. The ction takes place on two con ecutive days of the Christmas oliday period: the first act is set n the flat of Betty and Syd and heir refractory 19-year-old aughter, Sandra. They are isited by Betty's younger rother, Tommy, and his bird rained wife, Vera; and by etty's sister Reeny who arrives ith Ted, her blazered fathead f a husband and John, her un ainly, spiritually defeated oron of a son.

Act 2 is set in the almost dentical flat of Ted and Reeny. oth places have a living room ominated by the television, a orrid little plastic Christmas ree, dozens of greetings cards hreaded round the wall, one of hose cheap Blue Lady paintings nd a three piece suite. The two isters relate to each other only n an endless game of materialis ic one-upmanship. Reeny spends he whole of Act 1, virtually, in er cheap fur coat by way of a eminder that she herself has ecently had central heating in talled. The children are dis ussed only to make comparative points relating either to familial devotion or worldly success. Ted does not trust the neighbours of Betty and Syd, so he keeps a permanent watch from their window on the car he cleans four times a week. There is nothing to talk about except possessions and TV programmes. Mr. Russell refuses to allow us to believe that these characters are anything but dead from the neck up.

This bleak microcosm of contemporary community life is further sullied by the desperate and tactless measures with which the participants attempt to enliven it. Tommy's presents for Syd and Betty respectively are a steering wheel lock and an intimate vibrator. Syd has no car, Betty has no idea that her brother has given her a plastic penis — she is cheerfully allowed to believe that it is a device for stirring the Christmas drinks. Mr. Russell rather pummels this source of rude gags, but manages to convey the real sadness of a stupid, ignorant woman. Betty is certainly that, and although Eileen O'Brien does well with the tittle tattle of the part, she does not possess the comic resonance or personality to strike a deeper chord. Imagine the pain that Mr. Russell is presumably after when, lurching drunkenly back from the pub, Syd, greying and sexually frustrated by a lifetime of Betty's prim, mean physical responses, gurgles in her ear what else the stirrer does.

The play disappoints, however, in its treatment of the youngsters. Sandra has met a student from Surrey with whom she sees a chance of escape. While she prepares to tell her mother she's pregnant, the student, Tim, is smuggled off to the pub by "the men" and returns, astonishingly, fully acquiescent with Syd's suggestion that the two of them should stay in Liverpool with the family. Sandra storms out only to creep back in, as the curtain falls, and get on with buttering the bread in the kitchen. The parts of Sandra and Tim, although well played by Emma Jean Richards and Christopher Blake, are not well written. They are, in fact, unconvincing and I cannot accept Sandra's hysterical outburst of an alternative materialistic impulse ("I want to talk about films . . . I want red wine . . . COLESLAW! ") as anything but signs of an inability or reluctance on Mr. Russell's part to work out a sincere, alternative idealism to the grubby decline he so vividly describes in the rest of the piece.

The play is indulgently directed by Alan Dossor and he has secured some excellently observed performances from Julie Walters as Tommy's appalling wife, Kevin Lloyd as Tommy himself and Nick Stringer as the lothesomely humourless Ted. Graham Barkworth's design is suitably and unremittingly atrocious and the lighting is by Chris Brooks.

Oxford Town Hall

Michel Béroff

by DOMINIC GILL

The thirteenth English Bach Festival drew to its close in Oxford on Friday night, before three final weekend concerts of Bach, with a splendid Ravel recital given by the young French pianist Michel Béroff.

Splendid, but also uneven. The technique was never less than glittering—the most complex of textures sang out unfailingly sweet and true; every physical hurdle was effortlessly cleared. But it was really only at the end of the evening, facing the most difficult hurdle of all, and the summit of Ravel's pianistic invention, *Gaspard de la nuit*, that Béroff brought all of his wonderfully natural-seeming virtuosity to bear on the music in the fullest and most poetical way. *Gaspard* was a stunning performance: graded with the utmost finesse, drawn in fine and brilliant colour, seized with a passionate involvement—one has rarely heard, even from Michelangeli, a *Gibet* so frighteningly still and distant, or a *Scarbo* so powerfully illuminated with other-worldly lights and fires.

Perhaps it is too much to ask of any artist, and especially so young an artist as Béroff, to capture at a single setting all of the many, vivid faces of Ravel. In the earlier part of his recital, certainly — a long and taxing programme which included all of the major keyboard works — there was the same surface brilliance, attractive and exciting in itself, but much less of the same urgency and commitment. The five *Miroirs* were each beautifully made, but curiously dull in spirit—in some odd way they all sounded rather the same. One didn't doubt that Béroff loves *Alborado*: but did his playing really convince us so? The *Valses nobles et sentimentales* were put together with the barest hint of casualness and inconsequence that spoilt an otherwise stylish reading: music so drenched in sun and grand sentiment withers at the least breath of the draughty academic corridor.

It was, all the same, a substantial achievement—not least Béroff's exceptionally sensitive management of the difficult bathroom acoustic of the hall. He may have missed some of the dying cadences, dying perfumes of *Tombeau de Couperin*: but he caught the measure of its movement, its elegance and clarity, and not a few of its sudden tender moments, superbly well.

Loftus Road Stadium

Yes

by ANTONY THORNCROFT

Yes seems destined to be one of the handful of contemporary groups whose music will survive to be discussed and enjoyed by a few connoisseurs in a generation's time. It is defiantly rock but has a serious, uncompromising, substance which isolates it from popular music in its degraded Radio One sense. With the instruments jangling against each other as they score crescendos and rhythmic pluses, fighting for electric survival, it is the closest to modern chamber music.

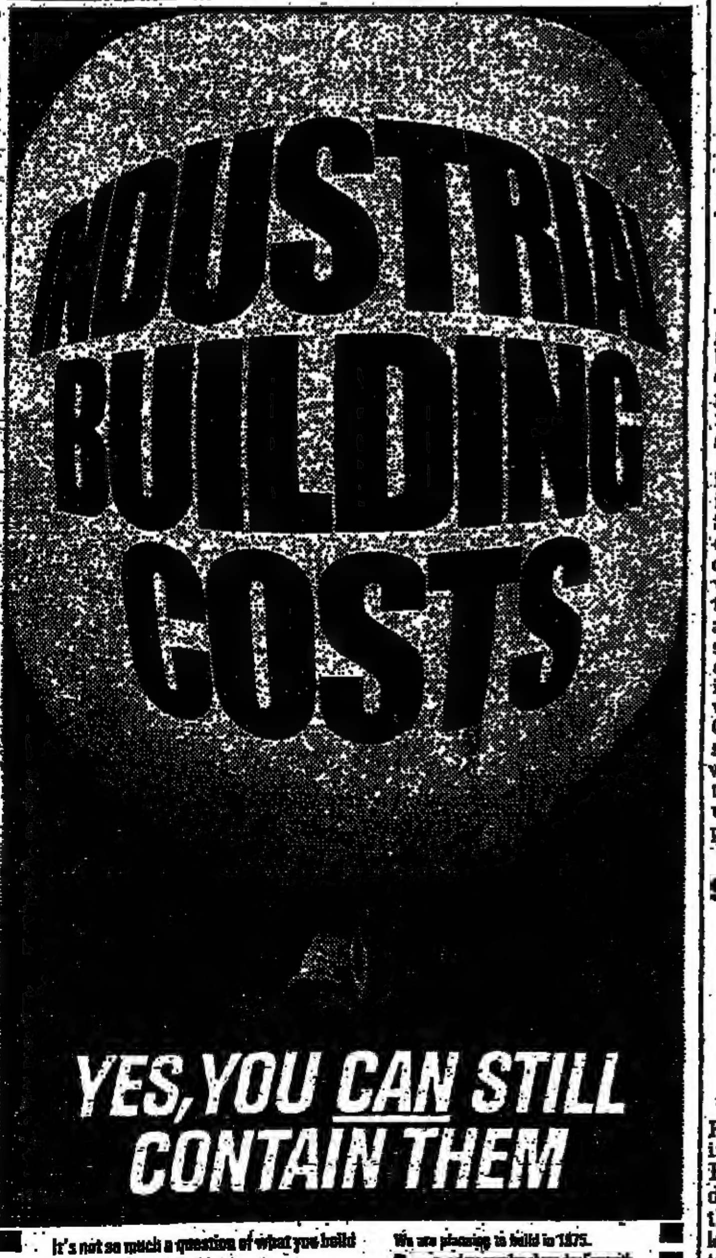
Unfortunately the very precision and musical ambition of the members of Yes rarely lends itself to exciting visual performances. They tend to stand back from their enraptured audiences. But this is changing, judging by their performance at the Queen's Park Rangers football ground on Saturday.

There is a greater willingness to attack the music and the fans. Perhaps the departure of keyboards player Rick Wakeman has liberated the other members of the group, who strive to copy his extrovert flamboyancy. Jon Anderson on vocals is up against Steve Howe's guitar, Chris Squire's bass, and Patrick Moraz, who replaced Wakeman, for attention, and they managed to slog out the old material with an amazing freshness, culminating with a Yes classic "Yours is no disgrace."

The concert was helped by the atmosphere. Football grounds seem ideal venues for the big pop events, and QPR was generously full with a very well behaved audience—perhaps the easiest answer to football hooliganism is to ban football and use music to defuse any social tensions.

Yet there was something missing from the occasion. Perhaps it was the safeness of the acts—Seals and Crofts, who appeared earlier, are the arch-proponents of "soporific" rock; perhaps it was the basic lack of progress in the music of Yes. But watching all those thousands, listening to sounds that are nearly five years old in clothes that seem frozen into a deadening denim, there was a tedious feeling of déjà vu. Contemporary music, and its supporters, seem to be waiting with resignation, and in deference to the recent past, for something which is not quite there. It is probably the future.

The Entertainment Guide is on Page 9



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Anthony Crickmay

Norman Bailey and Danica Mastilovic

Covent Garden

Elektra

by ELIZABETH FORBES

It is an ill wind that blows nobody good. . . . If Covent Garden had not been forced by the economic situation to postpone the third instalment of the new *Ring*, we should not have been able to enjoy Friday night's thrilling performance of *Elektra*. As it was, several of the artists engaged for *Siegfried* strengthened the cast, Brünnhilde becoming Chrysothemis, the Wanderer turning into Orestes, and Mime transforming himself (with the aid of the Tarnhelm?) into Aegisthus.

Isabel Lambert's claustrophobic set (vintage 1953) for the courtyard of the palace at Mycenae remains one of the most practical and impressive in Covent Garden's store, while her colourful costumes stand out vividly against the prevailing gloom. In his staging Ande Anderson stresses the indissoluble chains of blood, love and hatred, that bind the characters together: Clytemnestra and Electra converse in a bitter travesty of normal mother and daughter relationship; the sisters collapse in a heap on the ground on learning of Orestes' supposed death; Electra throws herself into her brother's arms before recoiling from him in shame at her unkempt appearance.

The dead Agamemnon, implacably demanding retribution, rises out of the score like a living, tangible presence. And yet the dominant sensation of the performance is one of compassion. Colin Davis, conducting Strauss's opera for the first time, brings plenty of power to the big orchestral climaxes, but in the quieter passages he moulds the melodic phrases with such beauty that the heart is moved to awe and pity, rather than horror or disgust. He keeps the texture of the music unclogged, and the orchestra, despite its augmented size, overflowing out of the pit, never sounds thick or heavy, but on the contrary, wonderfully buoyant and vital.

Danica Mastilovic, the memorable Electra of the 1973 revival, is in fuller, warmer voice this year; she sings the arduous role with no sign of strain, using expressive shading and coloration to illustrate Electra's changing emotions, both violent and tender. Able to move round the stage with astonishing rapidity and lightness, she can also sink into total immobility without loss of dramatic tension. Her dance, deliberately clumsy and awkward, denotes the release of feelings hitherto rigidly supressed. In view of Berit Lindholm's radiant, forwardly-produced tone and secure, soaring line, it seems churlish to complain that she lacks an essential quality of Chrysothemis's character—vulnerability—and that there is not sufficient vocal contrast between the two sisters.

Kerstin Meyer, a Clytemnestra still handsome and commanding of presence, comes perilously close to *sprechgesang* in much of her singing, but she inflects the text with such meaningful clarity that the thinness of tone is barely remarkable. Norman Bailey makes a noble, predestined figure of Orestes, while Ragnar Ulfung's Herod-like Aegisthus, stumbling up the steps of the palace as he calls for light, creates a rounded character in a few bars. Outstanding among a strong bevy of serving-maids are Patricia Payne (first maid) and Teresa Cahill (fifth maid), while Adrian de Peyer (the young servant) and Richard Van Allan (Orestes' tutor) contribute notable sketches. Friday's performance, dedicated to the memory of Amy Shuard, made a worthy tribute to an artist who was herself a fine Electra.

Coliseum

The Sleeping Beauty

On Friday night Elisabetta Terabust and Patrice Bart assumed the leading roles in Festival Ballet's *Sleeping Beauty*, bringing to their tasks a triumphant clarity of utterance that provided a diamond sharp focus to this cloudy production. Miss Terabust is an Aurora of fine style, finding in the part all the opportunities needed to show off her effortless technique and easy, delightful manner. Because her dancing is clear in outline, fresh in impulse, Aurora's choreography seems to glow with light. There is nothing forced in her charming presence, no indecision in her exposition of the steps; the bright Italianate radiance of her solos, the pretty, fluent way they purl out, is entirely and effortlessly pleasing. Handsome schooling, the true virtuosity that sustains but never distorts her reading, make her an Aurora in the grand tradition — an artist, surely, to please old Petipa in whatever heaven he now resides.

Incidentals to her performance are the sure *equilibres* in the Rose adagio, the touching delicacy of her spindle scene; more important, though, the control of the entire ballet which she so happily demonstrates.

For Patrice Bart a no less real achievement in taking over Rudolf Nureyev's very idiosyncratic choreography for the Prince. The marathon of solos in the Hunting scene is done with panache not least in the dazzling coda to the Vision scene; the final variation in Act 3 was heroic in its physical power, each prodigious sequence of steps given with an unaffected resilience, and an openhearted response to its demands. M. Bart's dancing is marked, at its best, by an honesty and clarity in exposition that is truly classic in style, and we need ask no more of a balletic prince.

CLEMENT CRISP

Sherman, Cardiff

Snowdropper

Every Rep theatre must lure the crowds now and then with a thriller; and as *Snowdropper* is by a Welshman, stars a Welshman and deals with Welsh Nationalism, it seems a natural for the Welsh Drama Company. The Welsh star, Ronald Lewis, plays a Cockney, and the Welsh author, Alun Richards, presents the Welsh Nationalists as cold-blooded assassins, but you can't have everything.

Snowdropper is a remote country house melodrama. It is crammed with cliché situations, from first to last, and bears signs, unless I am mistaken, of having been extended from a shorter work by the addition of extra dialogue; still, the tension is maintained as far as possible, that is to say, we have no difficulty in getting the next move but are kept wondering just when it will happen.

The basic situation is this: Beulah (Ann Lynn), is alone in a remote Welsh cottage (in a snowstorm at that) when there enters Leonard, an escaped convict (Ronald Lewis talking as if he has been mugging up the collected works of Frank Norman).

Without giving away Mr. Richards' secrets, I can disclose that she is about to shoot a Cabinet Minister for patriotic reasons, but feels that a little sex, even with an Englishman, will steady her nerves for the big moment. An unexpected visit from a sinister police sergeant (Michael David) delays their consummation; but the climax at least is safely reached in the end.

The rest must be left to surprise the audience as much as it can. I was only surprised once in the whole evening, and then only mildly. The characters seemed to me as machine-made as the situations, though the company plays them well enough.

Ian Watt Smith is the director, and the sparse but roomy lounge in the decrepit farm cottage is the work of Alexander MacPherson. A snowdropper in criminal slang is someone who steals women's clothes off clotheslines. This must be relevant, I'm sure, though I couldn't myself see why.

B. A. YOUNG

Sheffield Crucible

The Bomb in Brewery Street

by MICHAEL COVENEY

Playwright and journalist Keith Dewhurst visited Belfast in the Autumn of 1971 when the British Army were hoping to defeat the Provisional IRA by the following Spring. His play is a coolly written, impressionistic account of how the Army conducted itself at that time. It is not scandalous or righteous, or even opinionated in any political or sociological sense. I do not consider this to be a particular virtue of the play, but I respect Mr. Dewhurst's desire to record, in the theatre, the unusual and difficult circumstances endured by British soldiers in a civilian situation.

The play is written in eight scenes which, while not exactly inter-changeable, are certainly linked with a bare minimum of narrative development. A bomb explodes in B Platoon's Ops Room in Brewery Street and the soldiers, in addition to discharging their daily duties, are thereafter on the tail of an elusive terrorist. We see them relaxing in an improvised barrack room; raiding a Catholic home as a result of a tip-off only to discover that their suspect is a harmless, deaf old man and a trap has been sprung; bringing physical solace to a randy mother and impressionable daughter on a Protestant estate in the Donegal Road; exchanging wry comments with a pleasant Catholic priest over the bandaged body of a little girl in hospital.

It is all managed with dignity —the dialogue is never less than truthful and entertaining, as you would expect from a writer whose list of television credits stretches from the every first, memorable episodes of *Z Cars*. But the exercise is low on theatrical protein. Perhaps, after all, the play really does belong to the small screen, a judgment not in any way diminished by the excellence of David Leland's production. I especially admired the touching, beautifully weighted scene between a distraught parent (Doreen Mantle) waiting for news of her daughter, and a pacing, nonchalant soldier. Harry Towb is a breezy, likeable priest, John Salthouse a vigorously chirpy young private and Aideen O'Kelly a deliciously lusty Protestant.

Wedgwood exhibition in Nottingham

The Felix Joseph Collection of Wedgwood, one of the most important in Europe, will be on view in the Castle Museum, Nottingham this summer as part of the Nottingham Festival. The collection, containing over 1,000 pieces, chiefly of jasperware, was given to the Castle in 1878 when it first opened as a municipal museum, but it has not often been shown in its entirety.

Covent Garden

Hermann Prey

by ELIZABETH FORBES

The fourth and last recital in the series given this spring at Covent Garden took place last night, when the German baritone Hermann Prey sang two Schumann cycles, *Dichterliebe*, and the *Liederkreis* to poems by Eichendorff. Beginning with the *Liederkreis*, Mr. Prey had already sung himself into his best voice by the third song, the wonderfully spooky "Waldesgespräch." The next two songs, "Die Stille" and "Mondnacht" were floated with suitably rapt tone and finely drawn line; then came a glorious opening out of the voice in the third verse of "Schöne Fremde," followed by an equally beautiful diminuendo at the end of "Auf einer Burg."

The simplicity of approach and directness of response which Mr. Prey brings to these songs is not only perfectly appropriate to the Eichendorff poems, but allows him to express every nuance of Schumann's settings without over-emphasis, verbal or musical. "Zwielicht" was a fine example of this careful balance between words and melody, as was "Frülingsnacht," the last of the Eichendorff settings, in which the almost unbearable happiness of the poet was superby conveyed by the singer.

With *Dichterliebe*, in the second half of the recital, Mr. Prey was perhaps even more successful in interpreting the spirit of Heine's poems through an exquisitely natural shaping of the vocal line, and by the infinite gradation of dynamic levels in his singing. The serenity of the opening "Im wunderschönen Monet Mai," the ecstasy of "Wenn ich in deine Augen seh" were followed by a generously full-voiced account of "Ich grolle nicht," that rang heroically through the theatre.

After a relaxed, almost lighthearted performance of the first two verses of "Ein Jüngling liebt ein Mädchen," the bitterness of the third verse was chilling. The next song, "Am leuchtenden Sommermorgen," ended so softly the tone was only a thread, but still firmly supported and steady, while "Ich hab in Traum geweinet" carried the mood of pain and anguish even further. In the last two songs of the cycle Mr. Prey was particularly well partnered by the pianist, Leonard Hokanson, who played the postlude with great feeling and expression.

Festival Hall

Mass in C minor

by RONALD CRICHTON

Nowadays the C minor Mass of Mozart is sung in London almost as often as Bach's in B minor. It has obviously caught the imagination of a wide public helped rather than hindered by the "mystery" of Mozart's apparent failure to complete it, and by his confession of "moral obligation" to write a Mass after marriage. The public will not bother overmuch about the incongruity of some elements in what was completed — the elaborate and sometimes playfully operatic writing for the solo sopranos consorting uneasily with the Handelian and Bachian grandeur of some of the choral music.

James Levine and the London Symphony Orchestra and Chorus last night gave a hard-hitting, big-scale reading with little room for romantic surmise about possible reason for incompleteness or for the fate of the missing sections, if they were in fact finished. The LSO Chorus was large and lusty, producing an imposing block of tone in "Qui tollis" and massive energy in the "Cum sancto spiritu" fugue, whose preludial, fourfold "Jesu Christe" was a noble sound. It was a reading more concerned with discipline and breadth of effect than with fine shading—perhaps the greatest mystery about this Mass is that one never quite recaptures the thrill of one's first hearing of it.

The first soprano was Christiane Eda-Pierre, her voice as soft-grained and pearly as ever. She did not prove herself a 100 per cent. Mozart stylist, but she had the valuable if negative virtues of never going shrill or vulgar. There was surely no need to be impatient to come off the long notes. Her partner was the American, Maria Ewing, who brought more life and variety to her singing but snatched some of her high notes in the "Domine Deus" duet too impulsively. Robert Tear and Gwynne Howell completed the quartet.

The Mass was paired with Stravinsky's *Symphony of Psalms*. The size of the chorus told against it not so much in loud singing as in soft—very few conductors obtain soft singing from big choirs that lives and breathes. There was a strange fault of balance in the horse-and-chariot music of the last section, where the first three bars of scurrying triplets for flutes and oboes were hardly audible. Mr. Levine's speed for the final "Laudate" may have been metronomically correct, but it felt slow. However, he maintained it with masterly firmness. What a work, and how salutary its austere qualities at the present time.

National Portrait Gallery at Montacute House

By arrangement with the National Trust, over 90 Tudor and Jacobean portraits from the National Portrait Gallery's collection are now on view in the newly renovated Long Gallery and adjoining rooms at Montacute House, Yeovil.

This fine, late Elizabethen manor house, built in the local golden Ham stone, makes an appropriate setting for a galaxy of 16th and early 17th-century worthies, which are hung in historical sequence to provide the visitor with a unique visual survey of this turbulent period.

Many of the portraits have been recently restored and are on exhibition for the first time, but the display also includes well-known pictures of Henry VIII, Elizabeth I, and fine paintings by artists such as Marcus Gheeraerts the Younger.

The Guild of Glass Engravers

A Guild of Glass Engravers, believed to be the first in 3,000 years in the history of the craft, has been formed in Britain. The Guild's aim is to promote the highest quality of creative design and craftsmanship, and Laurence Whistler will be its first President.

General inquiries should be addressed to the Guild at 6 Queen Square, London, WC1.

Early Sullivan at St. James's, Piccadilly

A concert of early Sullivan music will be given at James's Church, Piccadilly, on Saturday, May 31, at 3 p.m. The programme, which will be conducted by Joseph Pilbery, will include the whole of *The Tempest*, with Alfred Burke as reader, incidental music to *Macbeth*, the Symphony and a duet from *Ivanhoe*.

New Fiordiligi at Covent Garden

In the Royal Opera June/July revival of *Cosi fan tutte* the role of Fiordiligi will be sung by the Bulgarian-born Anna Tomowa-Sintow in place of Kiri te Kanawa, who is unwell.

BH
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Bowthorpe's Annual report, published today, demonstrates a maintained pre-tax profits position of £4,008,000 (1973: £3,966,000), a highly satisfactory five years growth record and an increased dividend.

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Copies of the Annual Report can be obtained from the Company Secretary, Bowthorpe Holdings Limited, Gatwick Road, Crawley, Sussex.

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OVERSEAS NEWS

Correspondents' stories from Saigon have been taking up to two days to reach the outside world and have been routed via Hanoi. This is Stewart Dalby's latest report.

Law and orders

GENERAL Tran Van Tra, president of the Military Management Committee which is now running South Vietnam, said the country would have friendly relations with all countries and would not take sides in the dispute between China and the Soviet Union. But he stressed that domestic problems of reconstruction would pre-occupy the new rulers.

Lifting slightly the veil of uncertainty and mystery which has surrounded the liberation forces for the first time since their takeover General Tra gave a lengthy press conference to foreign journalists here.

Being excessively polite, the mild looking general, who was wearing half horned rimmed black spectacles, gave a long speech saying that the two most pressing tasks of the 12-man military management committee were securing law and order in Saigon and other cities and trying to make life as normal as possible for all Vietnamese.

The military management committee, the General made clear, was an interim body designed to rule until a civilian government was set up. While confirming that the Provisional Revolutionary Government would be taking over at some stage, the general declined to put a timetable to the change over.

The General declined to say directly whether there would be unification between North and South Vietnam. He replied only that "even the Paris peace accords recognise that we are one nation and the Vietnamese are one people."

Provisional

The Provisional Revolutionary Government, the General said, was provisional because it had been formed under war conditions. There would be general elections he went on and then the government would no longer be provisional.

On whether the committee had made arrangements to ensure that there was enough rice for everyone at a fair price, General Tra replied that the economics section of the committee was looking into the problem with some haste.

The General seemed to go out of his way to be reassuring to Vietnamese in answering one question he said: "We have seen a very great victory of historic significance, this is the common victory of the entire Vietnamese people. Only U.S. imperialism is the loser. Our policy is a policy of leniency, a policy of national concord. We want to help every Vietnamese to contribute his or her share towards the reconstruction of the country."

Asked whether the 127,000 refugees who left with the Americans would be welcomed back, the General replied that he thought that the evacuation was a forced one and that apart from a few reactionaries they could return. "It saddens us to think of Vietnamese people living unhappy lives in foreign countries," General Tra said.

Also this week-end the Military Management Committee is making moves to register all foreign nationals in the country.

Most of the foreigners left in South Vietnam are journalists, although there are others including social workers and stray Americans who were involved in businesses here and who failed to leave on the evacuation. Besides these there are numerous Frenchmen here for reasons known only to themselves. At his Press conference General Tra went to great lengths to assure the foreign Press that their problems will be sorted out.

Tra said the foreign relations section of the management committee would look into the matter of how television journalists and photographers are going to get their film out of the country. The general also hinted that it might be possible for journalists who want to leave South Vietnam soon to do so. The route may be via Hanoi as the control tower at Saigon's Ton San Nhut airport was damaged in fighting and foreign airlines may be loathe to fly in even if allowed.

There is rising optimism there will soon be some means of getting out because of the very impressive dispatch with which the management committee has tackled the mountain of problems which confronted it. In only a week, the committee has got Saigon at least almost totally back to normal.

Discipline

There has not been one report come to light of looting, raping, stealing, or for that matter drunkenness. The discipline of the Communist troops is extraordinary. Many of the soldiers now appear to have been moved outside the city, although little groups from outside are brought in on trucks for sightseeing tours.

In the not too distant future there could be a food problem. Although there is no immediate shortage the committee might find it difficult to feed both the population of South Vietnam and its own army. South Vietnam is nearly self sufficient in rice, but a great deal of other foodstuff as well as luxury items were imported with American aid money.

Reuter reports from Saigon that the new rulers of South Vietnam have decided to keep the country's piastre currency. There was some confusion in the first few days after the capture of Saigon when the victorious troops used the North Vietnamese dong currency.

Marketing Hydraulics in the EEC

How to increase market penetration

A one day Conference organised by the Mechanical Engineering EDC in association with the Association of Hydraulic Equipment Manufacturers.

Tuesday 20th May 1975
National Economic Development Office, Millbank Tower, Millbank, London, SW1P 4QX

A vital conference for all those involved in the UK Hydraulics Industry

A report from the Mechanical Engineering EDC 'HYDRAULIC EQUIPMENT IN THE EEC—IMPLICATIONS FOR THE UK INDUSTRY' (available from NEDO books price £25) has a clear message for the UK hydraulics industry.

- Now is the time to ensure a firm foothold in the EEC market for hydraulic equipment. Delay at this stage will make later entry to this market far more difficult.
- For success in the EEC nothing short of a major marketing campaign by UK firms will do. This should result from learning the lesson and developing the methods of UK firms already successful in this area.
- Future expansion depends on maximising sales volume per product and other economies of scale. For the UK industry this means structural change is needed.

To help get the message of the report over to the industry the Mechanical Engineering EDC is promoting a conference which it is hoped will be a mini-forum for the industry. Our aim is to bring together senior executives with involvement in hydraulics and to provide them with an opportunity to get together with their colleagues to discuss the way they react to the report's recommendations and how its proposals can be effected.

The format is designed to allow the fullest possible participation of the industry representatives in the audience. A panel of distinguished speakers including the Director General of the NEDO, Sir Ronald McIntosh, will initiate and contribute to the discussion on the topics in the programme.

PROGRAMME
Session 1. Chairman's opening remarks
Opening address by Sir Ronald McIntosh, Director General of the National Economic Development Office
Coffee
Session 2. The EEC challenge for the UK hydraulics industry. Followed by discussion. It is hoped the session will revolve around the possibilities of reorganising the industry.
Session 3. Hydraulics industry in European markets.
Session 4. Marketing in the UK hydraulics industry. Followed by discussion.

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JAPAN'S SPRING WAGE OFFENSIVE DRAWS TO CLOSE

Public sector rise is a 10-year low

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, May 11.

WORKERS OF the Japan National Railways and other state-run utilities accepted their lowest pay rise for 10 years on Saturday, at the end of a four-day general transport strike.

The rise averages 14.13 per cent. (17,203 yen) for the public sector as a whole, with the railway unions settling for 13.51 per cent. and telephone workers getting a marginally more attractive 14.84 per cent. No public sector union has managed to extract a pay rise exceeding 15 per cent., the unofficial ceiling set by Japanese employers' organisations on the eve of this year's spring wage offensive.

The 1975 wage award contrasts with an average rise of 29.2 per cent. won by the public sector in last year's record-breaking spring wage settlement. The award, taken together with settlements averaging between 12.5 and 13.5 per cent. in the private sector, means that the Government has succeeded, beyond its hopes, in minimising the extent of this year's wage increases.

Although the Government and the employers' organisations publicly advocated a 15 per cent. ceiling on the eve of the wage offensive, officials have admitted that awards of up to 17 per cent. would have been regarded as "safe" from the point of view of the official anti-inflation campaign. Independent observers (and, some people within the Government) believed that awards would work out somewhere between 20 and 25 per cent. before the wage bargaining actually started.

The public sector settlement on Saturday did not mark the close of the 1975 wage offensive since private railways have yet to reach agreement with their unions. A further private railway strike is scheduled for Tuesday in the event of failure to reach a settlement to-morrow. But there appears absolutely no risk that the private railway employers will be pressured into giving away much more than the national railways have already done.

An attempt to mediate between the private railway employers and their unions when a compromise award of Y.18,060 (just over 14 per cent.) was rejected by the employers — not the unions. The private railway employers originally offered Y.10,000 (just over 8 per cent.) against the unions' demand of Y.45,000.

The other sector which has yet to have its wages settled is the civil service proper. Wages in this sector, however, are fixed, not by collective bargaining, but by the decision of a national personnel commission which announces its award in August on the basis of wage rises conceded in other sectors of the economy. Civil service wage increases, like those of all other workers, are backdated to the beginning of April.

The unexpected success of the Government's campaign against a high 1975 wage award has made officials more confident that next year's award can be held down to the target of less than 10 per cent. The low award is being held as a victory for the Government's campaign to convince workers that big annual real wage increases cannot be taken for granted in the absence of productivity increases.

A 14 per cent. wage rise this year will be equivalent to an almost nil increase in real wages since the consumer price index has risen by roughly that amount over the past 12 months. However, the low level of the rise and the tactics employed by the Government in procuring it have also been a subject for criticism. The Government has been accused of "overkill" in the anti-inflationary measures carried out last year in preparation for the "spring offensive" and of excessive timidity in relaxing credit restraints early this year.

Measures to reflate the economy are now being taken but recovery has been delayed by slack demand, particularly in the consumer sector. The low level of the wage award means that consumer demand will continue slack instead of reviving as the Government would now probably have preferred.

Ottawa threatens wage, price controls

BY VICTOR MACKIE

OTTAWA, May 11.

THE CANADIAN Government is reluctantly facing up to the necessity of imposing mandatory wage and price controls as its programme to bring about a system of voluntary controls is in a shambles.

Finance Minister John Turner has warned the Cabinet that he may soon have to recommend the imposition of compulsory controls. Mr. Turner in a speech this week-end, warned that Canadians, who refuse to co-operate with the Government's voluntary restraint programme, are forcing him to take harsh economic action. He indicated that if voluntary restraint cannot be introduced with any degree of success, the spring Budget that he will introduce will be harshly restrictive.

The budget is expected to be introduced on June 2 and m contain the announcement t the cabinet has decided to set a system of compulsory contr It will certainly contain hig taxes and a tightening of money supply leading to m economic recession in the m term, but saving Canada fr economic disaster in the lon run. It was the toughest spe of his career as finance minis He said that he had ne accepted that "as a nation somewhat resemble lemmi which periodically rush headl to their own destruction." Bu added "I can't deny this may true."

He spelled out in detail w will happen to the Canad economy, if it continues to faced with excessive a demands. Mr. Turner is obvio perparing the Canadian pu for the introduction of c pulsory controls.

Israel and the Community put the seal on trade pact

BY DAVID CURRY

BRUSSELS, May 11.

ISRAEL to-day became the first of the Mediterranean countries not already associated with the Community to sign a trade and co-operation deal with the Common Market. The signature marks the laying in place of the first brick in the Community's policy of replacing the existing hotch potch of relationships with the Mediterranean states with a common pattern of preferential agreements establishing "equilibrium" in their relations with the Common Market. It is also a significant diplomatic coup for Israel.

The signing took place against a threat delivered by the Arab League to the Commission that Europe would have to accept the consequences of making Israel her first formal treaty partner in the Mediterranean under this policy. It is now thought rather unlikely that any of the Arab States will sign similar deals with the Community this year.

Israel herself insisted that should subsequent agreements with the Arab States disturb the balance of her own deal she would seek the renegotiation.

The Community-Israeli deal itself leaves open a certain area of doubt. The Italian Government has insisted that the improved access for Israeli processed citrus and tomato products will only come into force as planned on July 1 if by that time the community has worked out ways of helping Italian farm producers. It is thought that the American Government had made it clear to Rome that it thought the Israeli deal more important than the fate of provincial farmers even in the run up to regional elections.

The community emphasised today that the Israeli deal was part of its global Mediterranean approach. It is now trying to get negotiations with Morocco, Algeria and Tunisia restarted, though the Italian reservation also applies to any deal with these countries. The next in line are the eastern Mediterranean states.

Mr. Yigal Allon, the Israeli Foreign Minister, struck an optimistic note. He said that it would be a great benefit for Israel and her Arab neighbours to be bound to the Common Market within the framework of a Common policy. He insisted, however, that Israel still intended to seek full association with the EEC, an ambition which seemed unlikely to be realised early. He wanted the co-operation provisions of the treaty to be extended to wider areas notably to financial co-operation at present outside the scope of the agreement.

The treaty provides basically for free trade for Israeli industrial exports to the Community, including processed foodstuffs by July, 1977, beginning with a 60 per cent. tariff cut on July 1 this year when the agreement goes into force. A varied range of tariff reductions will cover fresh fruit and vegetable exports with the three new member states of the Common Market being specifically permitted to reduce duties by 80 per cent. Certain Israeli exports—both industrial and agricultural—will be subject to special monitoring and price mechanisms to protect the market from disruption.

Israel will grant Common Market countries free access for most industrial goods by 1980 and for all industrial products by 1985. She retains the right to protect infant industries.

ARAB PROTEST

BEIRUT, May 11.

ALGERIA has called on the Arab League to suspend the projected Arab - European dialogue in protest against the renewal by the European Economic Community of the most favoured nation agreement with Israel, reports Ihsan Hijazi.

According to the well-informed Lebanese Al Anwar newspaper to-day, the Algerian Government made its request in a confidential note submitted to the Arab League secretariat in Cairo two days ago.

The dialogue was scheduled to open in Paris on June 10 and extensive preparations have already been made.

Arabs' $1bn. arms industry set up

By Michael Tingay

CAIRO, May 11.

EGYPT has concluded an agreement to set up a $1bn. industrial combine with Saudi Arabia, the UAE and Qatar which would go some way to achieving the Arab aim of creating an independent arms manufacturing industry.

The agreement, signed last night by leaders of the four countries, caters for an arms and ammunition production company with branches in the four countries and its headquarters in Cairo.

President Sadat has appointed Egypt's war minister General Muhamed Gamassi to represent Egypt on the controlling committee.

Although the Arab arms project will take several years to come to fruition, the project fits into Mr. Sadat's strategy of diversifying Egypt's arms sources and gradually easing the military dependence of the Soviet Union. Earlier this year Egypt concluded a wide-ranging arms agreement with France under which the latest Mirages would be supplied

Britain agrees aid deal for Mozambique

BY DELLA DENMAN

DAR-ES-SALAAM, May 1

BRITAIN has agreed to a substantial aid programme to Mozambique which will take into consideration both the former Portuguese colony's immediate financial problems and its expected decision to impose sanctions against Rhodesia.

Details of the agreement, which includes the establishment of diplomatic relations between the two countries immediately Mozambique becomes independent on June 25, were finalised on Saturday by Overseas Development Minister, Mrs. Judith Hart, and Samora Machel, President of Mozambique's Nationalist movement, Frelimo.

Mrs. Hart told a Press conference to-night before returning to London that development co-operation between the two countries would begin with programmed aid—cash for British imports—to be followed by long-term assistance for rural development.

Mrs. Hart emphasised that Britain's development programme to Mozambique, first conceived in February, considered the possibility that an independent Mozambique u a Frelimo government w impose sanctions ag Rhodesia. And the amoun money involved took this consideration.

Meanwhile, the Organisati African Unity which ended a day meeting here on Frida planning to expand its mil training camps in Tanzania Zambia to handle 2,000 rec at any given time for the Rhodesian African Natio army now being formed in current efforts to negotia transfer to majority rule blocked.

FNLA REBUFF F ANGOLAN SUM

TUNIS, May

MR. HOLDEN ROBERTO, le of the National Front for Liberation of Angola (FN one of the territory's liberation movements, has gorically rejected Portugal's for a summit meeting to pr further internecine blood Mr. Roberto in Tunis objected to any role by L in the meeting. — Re

OAS reach 'understanding' on Cuba

By Adrian Dicks

WASHINGTON, May 11.

FOREIGN Ministers of the Organisation of American States, meeting here over the week-end, have reached a "general understanding" on how to end the isolation of Cuba, but appear unlikely to agree formally to end the 11-year-old embargo.

Dr. Henry Kissinger, the Secretary of State, said last night that there had been some understanding on how to proceed towards a rapproachement with Dr. Fidel Castro—a form of words thought here to mean that the OAS countries have made their minds up to observe a common timetable. This would have the advantage of avoiding an open rift between supporters and opponents of a new approach to Cuba, at a time when the OAS seems to be making some progress on other issues.

Dr. Kissinger's remarks also appear to indicate no change in the U.S. position of declining to press either for or against an early vote on the Cuba issue. However, he is reported to have agreed to a conference in Costa Rica later this year to reconsider the terms of the Rio treaty of 1964 which set up the embargo of Cuba.

Brazil draws up rules for foreign equity cash

BY DAVID WHITE

RIO DE JANEIRO, May 11.

AFTER months of expectation, Brazil has released its blueprint for admitting foreign capital onto the country's stock exchanges.

Rumours of the move, which is expected to bring in between $70m. and $200m., into the Rio de Janeiro, Sao Paulo and Belo-horizonte stock exchanges this year, led to erratic increases in stock prices last week.

The entry of foreign capital will be channelled through portfolio investment companies based in Brazil, and will only be able to withdraw funds after three years, and then only by 2 per cent. every six months. The government has set a scale of tax exemption in order to benefit longer term investors.

Dividends from investments kept for eight years or more will be subject to the lowest rate of 8 per cent. income tax, compared with 15 per cent. after three years.

The Finance Minister, Sr. Mario Henrique Simonsen, described the system as a hybrid between loan and risk capital. It is designed as a safeguard against speculation by individual foreign investors, in view of the relatively small number of shares involved.

Other strict conditions are set on the activities of the portfolio companies, which cannot invest more than 10 per cent. of their funds in a single company or control more than 10 per cent. of any company's stock.

At the same time, the Central Bank is proposing to set up a regulating body on the basis of the U.S. Securities and Exchange Commission in order to monitor speculative movements.

A number of financial institutions are reported already to have funds committed to the Brazilian market, including First National City Bank, Chase Manhattan, the Bank of Boston and the Brascan group, all of which have operations in Brazil. Details of the proposals were submitted at the week-end to President Ernesto

The actual date for the admission of foreign capital has not been set.

The Rio de Janeiro general stock index finished the week at 2,596, compared with 2,312 a month ago and 1,987 in May, 1974. Stocks registered a sharp decline after January when the index hit the year's high of 2,627.

LAWN TENNIS

BY JOHN BARRETT

Bournemouth regains prestige

ONLY SEVEN British men were accepted directly for the Coca-Cola British hard court lawn tennis championships which begin at Bournemouth to-day—a measure of the resurgence of this once great tournament, whose prestige in Britain ranks second only to Wimbledon.

Not since Ken Rosewall won the world's first Open title here in 1968 with a stirring victory against Rod Laver has there been such an array of talent on display. Clearly the "B" class rating in the Commercial Union Grand Prix and the points to be won have had as much to do with producing the excellent field as the £33,295 prize money.

Consider the possible quarter-final matches thrown up by the new, far fairer method of conducting the draw. The top seed, Guillermo Vilas (Argentine), in only his third competitive event following his lay-off to treat suspected ulcers after his phenomenal run last year, would play No. 6-seeded Francois Jauffret, one of the most underrated clay court players in the world.

The third seed, Manual Orantes (Spain), who was 4-3 ahead in the decisive Davis Cup rubber against Roger Taylor when rain postponed the match until to-day, is east for a re-match with the Yorkshireman, seeded eighth.

In the lower half the redoubtable Czech Jan Kodes, twice French champion and surprise Wimbledon winner in 1973, should face Onny Parun, the dour New Zealander.

Finally there is the prospect of the holder, Ilie Nastase, seeded second this time, against the crisp-hitting game of Juan Gispert, who was largely responsible for Spain's Davis Cup doubles success against Buster Mottram and Taylor.

Mottram seems destined to face Spaniards. He finds himself in Gisbert's quarter this week—a match by no means beyond him if he maintains the form that destroyed Jose Higueras in yesterday's fourth rubber by a devastating 6—1, 6—0, 6—3.

Taylor has an interesting first opponent, 22-year-old Lancastrian Mark Farrell, another left-hander of bludgeoning power, who will be anxious to show new manager Paul Hutchins that leaving him out of the Davis team was a mistake.

Richard Lewis of Middlesex, a third British left-hander, who has won recent tournaments at Sutton and Norwich faces a qualifier. The courts yesterday were filled with the business of reducing 64 aspirants to the eight who go into the main draw.

Martin Robinson of Lancashire, who played so well at Bournemouth last year, faces the tall Australian Dick Crealy, John Lloyd, who did not see active service in the Spanish match, returns from Barcelona to face another qualifier with the prospect of a third round match against Parun.

The women are below usual strength. Virginia Wade, holder for the past two years, is absent on Team Tennis duty in America, and the top seed is Gail Chanfreau, an Australian now resident in France, for whom she combined with Rosie Darmon in Aix-en-Provence last week to win the decisive match that ended Britain's run in this year's Federation Cup competition.

The other two members of that British team are seeded—Sue Barker, No. 4, is expected to face South African Linky Boshoff in the quarter-finals, and at No. 8 Glynis Coles may be given the chance to avenge her defeat last week against Mrs. Chanfreau.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the The Board meetings are mainly for the purpose of considering dividends and official indication not available whether dividends concerned are interims or finals. The sub-division shown be based mainly on last year's time-table.

TO-DAY
COMPANY MEETINGS—
Beatson Clark, Sheffield, 12.30
Booker McConnell, London Chamber of Commerce, 69, Cannon Street, E.C., 12
Braime (T. F. and J. H.), Leeds, 3.15
Jardine Japan Investment Trust, 3, Lombard Street, E.C., 12
Lane (Percy), Wishaw, Warwickshire, 12
Merchants Trust, 20, Fenchurch Street, E.C., 11.45
BOARD MEETINGS—
Finals:
Berait Tin
Bishopsgate Trust
Burrell
Brixton Estate
Foster Clothing
Furness Withy
Haveringham
Hunting Assoc.
London Asiatic Rubber
Mentmore Mnfg.
Old Swan Hotel Harrogate
Panto (P.)
Portals
Randalls
Shellacear Price
Young Inv. Trust
Interims:
Belgrave Assets
Common Bros.
Moss Eng.
Osborn (Samuel)
Tricoville
Williams (John) Cardiff
DIVIDEND & INTEREST PAYMENTS—
Aberdeen Trust Db. Stk. 4pc (79-84) May
City and Gracechurch Inv. 0.4375p
E.B.E.S. B.Fr.161 (1974)
Harmony Gold Mining 26.00917p
Home Counties Newspapers 3p
Mather and Platt 1.75p
Mono Containers 0.75p
Ransomes Sims and Jefferies 4.413p
Sparrow (G. W.) 2.47p
T.P.T. 1.74p
Trafford Park Estates 1.40282p
United Oceana Ord. and A 8 cts.
TO-MORROW
COMPANY MEETINGS—
American Trust, Edinburgh, 11.30
Cape Industries, Grosvenor House, Park Lane, W., 12
Cory (Horace), 15, St. Helens Place, E.C., 12
Elbar Industrial, 20, Aldermanbury, E.C., 3
Scottish Widows Fund and Life Assurance Society, Edinburgh, 2
Trade Indemnity, 1, Undershaft, E.C., 12
Unilever, Plasterers Hall, London Wall, E.C., 11
United Biscuits, Edinburgh, 12
BOARD MEETINGS—
Finals:
Aberdeen Invests.
British Syphon Inds.
Bunzl Pulp and Paper
Cables Invest. Tst.
Consd. Bultfontein
Copydex
Costain (Richard)
First National Finance
Foster (John)
Frost and Reed
Globe Invest. Tst.
Griqualand West Diamond Mining
More O'Ferrall
NMC Invests.
Nurdin and Peacock
Sanderson Kayser
Sphere Invest. Tst.
Tebbitt
Usher-Walker
Interims:
Carr's Milling Inds.
Plaxtons (Scarborough)
Ranks Hovis McDougall
DIVIDEND & INTEREST PAYMENTS—
Beatson Clark 2.38875p
Braime (T. F. and J. H.) Ord. and A 2.125p
Cory (Horace) 0.4306p
Harrison and Sons 2.27p
Hawker Marris 3.6p
Lankro Chemicals Db. Stk. 5¼pc
Trade Indemnity 4.05546p
WEDNESDAY, MAY 14
COMPANY MEETINGS—
BTR, Caxton Hall, S.W., 12
Clerical Medical and General, 15, St. James's Square, S.W., 2.30
Clifford (Charles) Industries, Birmingham, 2.30
Dorada, Waldorf Hotel, Aldwych, W.C., 12
Economic Insurance, 19, Leadenhall Street, E.C., 12
Friends Provident Life Office, Dorking, 2.30
Low and Bonar, Dundee, 12
Pataling Rubber Estates, 1, Great Tower Street, E.C., 12
Pittard, Yeovil, 12
Rockware, Great Eastern Hotel, E.C., 3
Royal Insurance, Liverpool, 12
Spirax-Sarco Engineering, Cheltenham, 3
Wilmot-Breeden, Birmingham, 12
BOARD MEETINGS—
Finals:
Allied Irish Banks
Fidelity Radio
Dertend Stamping
Duncan (Walter) and Goodricke
Duport
External Invest. Tst.
Folkes (John) Hefo
Head Wrightson
Jersey Gen. Invest. Trust
Marks (Alfred) Bureau
Readicut Intl.
Transatlantic and Gen. Invest.
Interims:
British Leyland Motor
Management Agency and Music
NSS Newsagents
DIVIDEND & INTEREST PAYMENTS—
American Trust 0.93p
Arbroath 13¾pcBds. Red. 14/5/75 £7.1656
Arun 12½pcBds. Red. 19/11/75 6¼pc
Barking 13¾pcBds. Red. 14/5/75 £7.1656. 12½pcBds. Red. 19/11/75 6¼pc
Barnsley 13¾pcBds. Red. 14/5/75 £7.1656
Basingstoke 12½pcBds. Red. 19/11/75 6¼pc
Blyth Valley 13¾pcBds. Red. 14/5/75 £7.1656
Brent 13¾pcBds. Red. 14/5/75 £7.1656
Bristol 13¾pcBds. Red. 14/5/75 £7.1656
Calderdale 12½pcBds. Red. 19/11/75 6¼pc
Cambridgeshire 12½pcBds. Red. 19/11/75 6¼pc
Clifford (Charles) Inds. 3p
Clydebank 12½pcBds. Red. 19/11/75 6¼pc
Crewe and Nantwich 12½pcBds. Red. 19/11/75 6¼pc
Doncaster 13¾pcBds. Red. 14/5/75 £7.1656
Dumfries 12½pcBds. Red. 19/11/75 6¼pc. 13¾pcBds. Red. 14/5/75 £7.2947
Ellesmere Port 12½pcBds. Red. 19/11/75 6¼pc
Gateshead 12½pcBds. Red. 19/11/75 6¼pc
Havering 6¼pcBds. Red. 14/5/75 £3.1935
Huntingdon 12½pcBds. Red. 19/11/75 6¼pc
Inverness 13¾pcBds. Red. 14/5/75 £7.1656
Isle of Man Railway 7.5p and Pf. 2½pc (1974)
Islington 13¾pcBds. Red. 14/5/75 £7.1686
Jardine Japan Inv. Tst. 0.5p and 0.35p
Lanarkshire 12½pcBds. Red. 19/11/75 6¼pc
Merchants Tst. 1.1p
Midlothian 12½pcBds. Red. 19/11/75 6¼pc
New Zealand 5¼pc Stk. 78-82 2⅝pc
Newham 13¾pcBds. Red. 14/5/75 £7.1656
North Devon 13¾pcBds. Red. 14/5/75 £7.1656
Northavon 12½pcBds. Red. 19/11/75 6¼pc
Preston 13¾pcBds. Red. 14/5/75 £7.1656
Rother 13¾pcBds. Red. 14/5/75 £7.1656
Rotherham 12½pcBds. Red. 19/11/75 6¼pc
Salford 13¾pcBds. Red. 14/5/75 £7.1656
Sandwell 12½pcBds. Red. 19/11/75 6¼pc
Sheffield 12½pcBds. Red. 19/11/75 6¼pc
South Tyneside 12½pcBds. Red. 19/11/75 6¼pc
Suffolk Coastal 12½pcBds. Red. 19/11/75 6¼pc
Sutton 12½pcBds. Red. 19/11/75 6¼pc
Swansea 13¾pcBds. Red. 14/5/75 £7.1656
Tameside 12½pcBds. Red. 19/11/75 6¼pc
Vosper Thornycroft 2.20885p
Wandsworth 12½pcBds. Red. 19/11/75 6¼pc
West Lothian 13¾pcBds. Red. 14/5/75 £7.1656
Wigtown 12½pcBds. Red. 19/11/75 6¼pc
Williams and James (Engs.) 0.1755p
Wimborne 12½pcBds. Red. 19/11/75 6¼pc
Wirral 12½pcBds. Red. 19/11/75 6¼pc
Wolverhampton 12½pcBds. Red. 19/11/75 6¼pc
York 13¾pcBds. Red. 14/5/75 £7.1656
THURSDAY, MAY 15
COMPANY MEETINGS—
Anglo-Swiss, West Drayton, 3.15
Associated Portland Cement, Grosvenor House, Park Lane, W., 11.30
Barton, Sutton Coldfield, 12.30
Bibby (J.), Liverpool, 3
Bifurcated Engineering, Aylesbury, Buckinghamshire, 12
Clay (Richard), Waldorf Hotel, W.C., 12.15
Horizon Midlands, Birmingham, 2.15
Lex Service, 5, Burlington Gardens, W., 12
Manchester Liners, Manchester, 12.30
Molins, 2, Evelyn Street, S.E., 11
Ofrex, Ofrex House, Stephen Street, W., 11
Shell Transport and Trading, Shell Centre, 11
Spong, Basildon, 11.30
Whiley (George M.), 20, Aldermanbury, E.C., 3
Wilkes (James), Wolverhampton, 2.30
Wolstenholme Bronze Powders, Bolton, 12
Yorkshire Chemicals, Leeds, 12
BOARD MEETINGS—
Finals:
Boots
Cakebread Robey
Cater Ryder
Cope Sportswear
Dunlop
Edinburgh Ind.
FPA Construction
Hield Bros.
Industrial and Gen. Trust
King and Shaxson
Pyramid Publishers
Summers (O. C.)
UDS
Interims:
Causton (Sir Joseph)
Concentric
Fluidrive
Lloyds and Scottish
Northern American Tst.
DIVIDEND & INTEREST PAYMENTS—
Aberdeen 3pc Red. 65-85 1½pc
Agricultural Mtg. Corp. 9¼pcDb. Stk. 85-87 4⅝pc
Allen Harvey Ross 4pcPtg.Prd. 1.4p
Alliance Inv. 5pcPf. 2.1pc
Alliance Tst. Db. Stks. 1¼ 2¼ and 2½pc
American Tst. Db. Stk. 3¼pc
Anglo-Ecuadorian Oilfields 2.3731125p
Anglo-Swiss 2.16575p
Angus Milling Db. Stk. 2½pc
Appleyard 2.45p
Associated Paper Mills Ln. Stk. 3pc
Baird (Hugh) 0.75p and 5½pcPf. 1.925pc
Barclays Bank Ln. Stk. 4½pc
Barnet 7¼pc Red. 1978 3⅝pc and 7¼pc Red. 82-84 3⅝pc
Beattie (James) Db. Stk. 3½pc
Birmingham and District Inv. Tst. Db. Stk. 2¼pc
Borg-Warner Corp. 33.75 cts.
Bournemouth 7¼pc Red. 1977 3⅝pc, 8½pc Red. 77-78 4¼pc
Bristol 5¼pc Red. 74-76 2⅝pc. 7pc Red. 74-75 3½pc
British Assets Tst. Db. Stks. 2½ and 2pc
British Electricity 3½pcGtd.Stk. 76-79 1¾pc
British Indian Tea 2.4p
British Inv. Tst. Db. Stk. 1¼pc
British Oxygen Intl. Db. Stks. 2⅞ and 3¼pc
British Petroleum Reg. Bds. 2¼pc
British Sidac Db. Stk. 2¾pc
Burt Boulton Db. Stk. 3½pc
Butlins Irish Continental Pf. 2¼pc
Cardiff 7pc Red. 79-82 3½pc. 7¼pc Red. 1977 3⅝pc
Change Wares 0.875p
Channel Islands and Int. Inv. Tst. Inc. 46 and 6p
Clyde Port Authority Bds. Red. (3¼pc to 16½pc) 1⅝ to 8¼pc
Clydesdale Inv. Db. Stks. 2½ (55 or after) 2½ (55-75) 2½ (56-78) 2½ (59-79) and 2½ (65-78)
ColgatePalmolive 17 cts.
Collins (William) Db. Stk. 3pc
Copenhagen (City of) 5pcExt.Ln. 74-83 2½pc
Croydon 6½pc Red. 78-81 3¼pc
Dundee Anns. per £1 of Ann. 50p. Police 3½pcDb. 1¾pc. Water 3½pcDb. 1¾pc. Gas 3½pcDb. 1¾pc
Esso Petroleum Db. Stk. 3pc
Exchequer Ln. 6pc 85-90 (Irish List) 3pc
Finance for Industry 13pcUnsec.Ln. Stk. 1981 6½pc
Forth Ports Authority 3½pc Funded Debt 1¾pc
General and Commercial Inv. Ts Stk. 2pc
General Scottish Tst. Db. Stk.
Glasgow Water Anns. (perp.) Gas Ann.Stk. 3½pc. 5pcAnn.Stk. Waterworks Funded Debt 1¼pc. Irrd.Stk. 1¼pc. 6pc Red. 73-7 9¼pc Red. 80-82 4⅝pc. Funded 2pc
Gloucestershire 9¼pc Red. 79-81 4
Goodyear Tyre and Rubber Db. Stk
Grant (James) (East) Db. Stk. 3
Hambros Inv. Tst. 5pcPf. 1.75pc
Hume Hldgs. 7pcPf. 2.45pc
Industrial and Commercial Finance Db.Stk. 5pc
Industrial and General Tst. Db. Stk
International Hldgs. Corp. 8 cts.
Inv. Tst. Corp. 4½pcPf. 1.575pc
Invs. Capital Tst. Db. Stks. 1¾ an
Kenya 4½pc Stk. 71-78 2¼pc
Lawtex 1.265p
Liverpool 9¼pc Stk. 80-84 4⅝pc
Low and Bonar 5.56p
Lucas Inds. 1.378p
Maidstone 8¼pc Red. 79-81 3
Malaya (Fd 00) 3pc Stk. 74-76 1
Mauritius 4½pc Stk. 72-77 2¼pc
Metropolitan Wtr. Bd. 2¼pc F Stk. 1⅛pc
Nash (William) 6½pcPf. 2.275pc
National Development 5¼pcLn. (Irish List) 2⅝pc
Newcastle-upon-Tyne 5½pc Cons. R 75-77 2¾pc
Northern Ireland 7pc Exch. Stk. 3½p
Oil Exploration 1.608p
P. & O. Db. Stk. 2⅝pc
Pentland Inv. Tst. Db. Stk. 2pc
Pittard 1.8215p
Poole 5¼pc Red. 74-78 2⅝pc
Rockware 2.0929p
Scottish American Inv. Tst. A Pf. Db. Stk. 1¾pc (1902)
Scottish American Inv. Tst. 4pcPf
Scottish Eastern Inv. Tst. Db. St (Perp.) 2pc (Red.) and 2¼pc
Scottish Mortgage Db. Stks. 2¼ ar
Scottish Northern Inv. Tst. Db. Stk (62 or after) 1½pc (72-80) 2pc after) 2pc (73-83) 2½ and 2¼
Scottish United Investors Db. Stk
Second Alliance Tst. Db. Stks. and 2½pc
Second British Assets Tst. Db. Stk (55 or after)
Securities Tst. of Scotland Db. Stk (55-77) 1½pc (67-82) 2¼ and
Sommerville (Wm.) 6pcPf. 2.1pc
Sperry Rand 18 cts.
Staffordshire Potteries Wtr. Bd. Red. 1981 5¼pc
Standard Life Assurance Perp. Stk.
Sunderland 5¼pc Red. Stk. 79-81
Swansea 9¼pc Stk. 78-80 4⅝pc
Treasury Ln. 12¾pc 1995 6⅜pc
Treasury Stk. 8pc 1975 4pc. 3 £1.10
Trinidad 4pc Stk. 73-78 2pc
Uniroyal Db. Stk. 2½pc
United Corps. Class B 16 cts. Pf issue and Class A 37 cts.
United Wire 5pcPf. 1.75pc
West Hertfordshire Main Drainag Red. 81-83 4¼pc
Youghal Carpets Pf. 3½pc
FRIDAY, MAY 16
COMPANY MEETINGS—
British Titan, 10, Stratton Stre 12.30
Glynwed, Birmingham, 3
Harris (M. P.), Bexhill-on-Sea, 3
Raleigh Industries, Nottingham,
Robinson (Thomas), Rochdale, 12
Rugby Portland Cement, Rugby
Sangamo Weston, Enfield, Middlese
Tilling (Thomas), 21, Tothill Stree 12
Ward White, Higham Ferrers, Northamptonshire, 12
Watts, Blake, Bearne, Moreton stead, Devon, 12
BOARD MEETINGS—
Finals:
Allied Leather Inds.
Bonas Webb
Steel Bros.
Viners
DIVIDEND & INTEREST PAYM
Associated Portland Cement 4.7
Barton 1.4931p
Beckman (A) 1.3p
Biddle 3p
Bifurcated Eng. 1.6975p
Boulton (Wm.) 0.468p
Bracken Mines 18.64379p
Carron 2.042p
Clay (Richard) 1.759p
Combined Insurance of America 1
Commercial Union Ass. 4.242p
Desoutter Ord. and A 4.34p
Free State Geduld 170 cts.
Gardner (L.) 3p
Kinross Mines 18.64379p
Leslie Gold Mines 11.18627p
Lex Service 0.8375p
Melbray 7pcPf. (temp. Susp. 2.45pc
President Brand Gold Mining 125
Robinson (Thomas) 3.2953p
St. Helena Gold Mines 50.11155
Second Broadmount Tst. 0.25p
South British Insurance 8.5 cts. Sh
South West Africa 8.5p
Spirax-Sarco Eng. 2.96p
Spong 0.861p
Storey 1.6507p
Thorpe (F. W.) 0.5p
Unisec 6 cts.
United Real Property 0.875p
Wankie Colliery 3 cts.
Welkom Gold Mining 30 cts.
Western Hldgs. 225 cts.
Whiley (George M.) 2.941p
Winchmore Inv. Tst. 0.921p
Winkelhaak Mines 39.15196p
Wolstenholme Bronze Powders 3
SATURDAY, MAY 17
DIVIDEND & INTEREST PAYM
Bebington 6½pcBds. Red. 19/11/7
Caithness 6½pcBds. Red. 19/11/7
Caterham and Warlingham 6½pcB 11/5/77 3¼pc
Ebbw Vale 6½pcBds. Red. 19/5/7
Harris (M. P.) 1.3p
Henriques (Arthur) 2.359p
Manchester 7½pcBds. Red. 17/11/7
Sangamo Weston 6.3p
Stockton-on-Tees 5¼pc Red. 1974- 4¼pc
Treasury Ln. 9pc 1994 4½pc
Watts Blake Bearne 1.23625p
SUNDAY, MAY 18
DIVIDEND & INTEREST PAYM
Staffordshire 9¼pc Red. 1976

مطابقة للأصل

مكتامن الأصل

HOME NEWS

Judge decides to-morrow on use of 'champagne'

BY KENNETH GOODING

ITAIN'S drinks industry will d out to-morrow if the word hampagne" can continue to applied to any sparkling nk or whether it must be erved exclusively for wine m the Champagne area of ance.

Mr. Justice Whitford will be ing his reserved judgment the High Court case between U.K. companies—H.P. Bulr, "the world's biggest cider aker," and Showerings, the bycham business which is part Allied Breweries—and two ampagne houses, Bollinger d Lanson Pere et Fils, repreating the whole of the champgne trade.

In a 20-day hearing which s cost "many hundreds of ousands," the two British comnies argued that the descripns "champagne perry" and champagne cider" had been ed for so long that the champgne houses could no longer mplain about the usage. lmer has used the word champagne" for 100 years and howerings for 35.

The champagne houses were unter-claiming for an injuncn restraining the English mpanies from using, in the urse of trade, the word "champagne" in connection with any drink not being a wine produced in the Champagne district of France.

They also sought a declaration that the use of the expressions "champagne cider" and "champagne perry" is contrary to European Community law.

If the judgment goes against the British companies it could have far-reaching effects.

Companies would be in some doubt whether they could package sparkling wine in champagne-style bottles and whether their labels and advertising could carry illustrations of the flat champagne glass, for example.

There is a feeling in the drinks industry, however, that Showerings' Babycham and Bulmer's Pomagne are so well-established as individual brands that the elimination of the references to "champagne" on their labels would do no damage to sales.

However, a judgment against the two U.K. companies would obviously put a brake on the use of champagne-style packaging and other images associated in the public mind with champagne itself by the growing number of sparkling wine brands now flooding into the U.K. market.

'Pay up' appeal to Healey

Mr. Denis Healey, the Chancellor, was urged yesterday to repay stock at its face value to pensioners who invested in Government stock at a time of national hardship after World War 1.

Age Concern, said that because the Government had no fixed date for the repayment of the stock, the only way its capital value could be realised was to sell it on the stock market, where for every £100 invested the holder now gets only about £25 back.

Mr. David Hobman, director of Age Concern, said in an open letter to Mr. Healey: "We believe that, at the very least, the *Government should make the low* income from these stocks tax free to those long-term holders who are over pensionable age.

"We would still, however, like to see repayment at par to long-term pensioner holders as soon as possible."

Security is stepped up for Hussein's arrival

FINANCIAL TIMES REPORTER

NE OF the biggest security perations to have been mound at Heathrow airport went nto action when King Hussein f Jordan arrived yesterday on private visit.

Road blocks were set up along he airport's perimeter road, where armed police and troops topped and searched cars. Armoured cars and police vehicles patrolled the roads in Heathrow's central area around he terminal buildings.

For some time immigration fficers at airports and ferry terminals have been on the alert for a possible assassination squad trying to enter Britain. But there was no trouble yesterday.

As soon as the king's DC-10 aircraft arrived at Terminal Three's stand 22, it was surrounded by police cars. Troops on the roof above kept in radio contact and moved into a crouched firing position.

The king smiled and waved at photographers as he was escorted from the aircraft along airport corridors and through a side entrance to his waiting car.

With the queen in a rear seat and a bodyguard in the front passenger seat, the king took the wheel and drove himself into London.

ATV plans new crime series

BY ARTHUR SANDLES

Associated Television is contemplating a filmed crime television series to rival the American Kojak and McMillan productions. It would be a series of one-hour shows centred on a theoretical Interpol department operating throughout Europe.

Britain has not had a big success in filmed drama productions of this type since the Avengers. However, U.K. sales of traditional television material now rival those of the U.S. and should overtake American exports in the world market this year.

Britain spends more on health

BRITAIN SPENT a slightly higher portion of its gross national product on the National Health Service last year than in 1973, according to figures released to-day by the Office of Health Economics.

Expenditure was £3,143m.—4.97 per cent. of the GNP—compared with 4.89 per cent. in 1973. In 1972, the percentage was 5.07.

The office says: "Since the 1950s there has been a steady rise in the hospitals' share of NHS resources. This is despite a continuing and growing awareness of the need to divert resources from hospital-based to community-based care.

"There is only slight evidence in the latest Government expenditure projections that the trend in hospital demand for NHS financial resources will be significantly reversed in the next four years."

Warning on Third World textiles

By Rhys David

THE SHIFT in clothing production to the developing countries could result in the greater part of the British industry being eliminated, an expert in world clothing production told a conference in London at the weekend.

Professor Anthony Bottomley of Bradford University claimed that lack of land on which to grow food would oblige developing countries to turn increasingly to textiles, in particular clothing, as a means of obtaining foreign exchange to pay for imports.

Professor Bottomley, who is making proposals on behalf of the United Nations for a study of the employment impact in different parts of the world of such a shift in clothing production, said that the trend could be countered only by increased protection in the developed countries—resulting in higher prices—by staying far ahead in quality and design or by making the industry much more capital-intensive.

His remarks, to the Federation of Clothing Designers and Executives, come at a time when the Government is already studying proposals put before it by the Clothing Economic Development Committee for assistance to the U.K. clothing industry to enable it to rationalise its structure and to modernise its processes.

Choice

The proposals have been before the Government for some time and in a Commons reply last week Mr. Michael Meacher, Under-Secretary for State at the Department of Industry, said that a response could be expected soon.

This may lead to the setting up under the Industry Act (1971) of a scheme for clothing similar to the scheme already operating for wool textiles.

Professor Bottomley said that the recently signed Lomé convention agreement allowing tariff and quota-free imports into the EEC from 46 developing countries was a portent of the trend towards more export production in the Third World.

"The British voter will increasingly be presented with a choice between providing work in labour-intensive industries like clothing for the people of Bangladesh whom he nightly sees starving to death on his television screen, and preserving the traditional industries of Lancashire and Yorkshire.

"If he opts for preserving the British industry, he will also be asked to pay a higher world-price for his clothing."

LABOUR NEWS

NUBE 15% Scottish deal will upset Government

BY ROY ROGERS, LABOUR CORRESPONDENT

A 15 PER CENT. pay deal negotiated by the National Union of Bank Employees for 17,000 staff employed by the Scottish clearing banks is likely to bring criticism from the Government, which is still smarting from the high levels of last year's bank settlements.

This is not because of the size of the Scottish deal, but because it comes just eight months after the last one. It is thus a clear breach of one of the main social contract principles that there should be 12 months between increases. The deal also includes a cost of living threshold arrangement.

With the Trustee Savings Banks already offering their 12,500 staff a 21.2 per cent. pay package three months early, the English clearing banks are virtually alone in insisting that there *should be no early settlement* for their 180,000 staff.

NUBE, which has sole bargaining rights for Scottish banks staff and in the TSBs, but which is outvoted by the joint memberships of the clearing banks staff associations in England, hopes that the Scottish deal will put pressure on the English banks to improve their 20 per cent. offer made last week.

NUBE and the staff associations meet to-morrow to consider the English banks' offer, which is to match the rise in the Retail Price Index shown in the April figures to be published this month, plus a fifth of that total to give an estimated 20-21 per cent. Retail Price Index rise to the end of June, when their pay increase is due.

The offer is almost certain to be rejected however, on the grounds that it will not keep up with the 24-25 per cent. rise in the Retail Price Index anticipated by the end of June.

The staff representatives and the banks will either have to agree in subsequent talks to a new formula for calculating the likely Retail Price Index level at June or decide to await publication of the June figure before concluding their deal.

The Scottish settlement, which is backdated to April 1, involves 15 per cent. increases, plus further automatic 1 per cent. rises for every 1 per cent. jump in the Retail Price Index after it as risen 15 per cent. above the March level. There is, however, a ceiling of nine "triggers."

Present rates in the Scottish banks range between £876 and £1,302 for juniors, £1,277-£1,989 for junior cashiers, £1,857-£2,541 for junior securities clerks, £2,220-£2,874 for securities clerks. Accountants and managers are on minimum rates of £3,066 and £4,254, respectively.

The Scottish deal and the English offer are both all "new money" because in both agreements threshold payments were consolidated into rates last August.

The Trustee Savings Bank's offer, however, includes £230-a-year threshold payments consolidated last November.

Equity 'on financial brink'

ACTORS and actresses were given a grim warning yesterday that their union, Equity, could be on the way to financial collapse.

The union was more than £42,000 in the red—losing £115 a day, said Mr. Milton Johns, its treasurer.

He told 700 actors and actresses at Equity's annual meeting that if the drain on the union's money carried on at that rate it would soon be on the brink of financial collapse.

Deep rift

United effort and collective action by members was needed to overcome internal disputes which had cost the union money. Special general meetings, which had emphasised the deep political rift between the Left and the Right, had cost £14,000.

Mr. John's report was challenged by the Left-wing, led by Mr. Corin Redgrave, who accused the union's new council of using the financial crisis to attack the democratic rights of the membership. The union should fight for more jobs.

Union avoids clash on social contract

DELEGATES representing the Association of Scientific, Technical and Managerial Staffs yesterday drew back from declaring themselves against the social contract.

Mr. Clive Jenkins, general secretary, made it clear, however, that the union's policy was still total opposition to pay restraint.

The stand maintains the union's approach to the social contract on which its delegates abstained when it was approved by TUC Congress in September.

Strongly-worded motions calling for outright opposition to the contract were not put to the vote at the union's annual conference in Bournemouth on the advice of Mr. Jenkins. They were referred back to the executive, which will decide what is necessary and within reach.

Mr. Jenkins told more than 900 delegates: "This debate is not about the social contract. It is about wage restraint, whether so-called voluntary or by pressure or by the threat of statutory wage restraint."

There could be no "trade-off" of pay restraint in return for socially desirable measures which had existed in other European countries for 30 years. "There is no trade-off and we are against voluntary or enforced wage controls."

It was no secret that he and other members of the TUC General Council would soon demand a five-year plan for Britain. "Our country needs targets. It needs a sense of direction.

"We have got to build up the Manpower Services Commission and make sure that the labour force and the skills and ingenuity of our people are properly harnessed."

● Runaway Labour MP Mr. John Stonehouse lost his ASTMS membership—and his seat on its Parliamentary Committee—after delegates to the conference heard that he was no longer a member "because of the action of his branch." A union official said afterwards that Mr. Stonehouse had become "several months in arrears."

Pay dispute stops two Sunday newspapers

By Our Labour Correspondent

THE BIRMINGHAM Sunday Mercury and the Newcastle Sunday Sun yesterday joined the growing list of provincial newspapers not published because of the pay dispute involving members of the National Graphical Association and SLADE (the process workers).

Neither newspapers—the two largest English Sunday's printed outside Fleet Street—appeared because of industrial action by NGA members. Other casualties have included the Yorkshire Evening Post, which has dismissed 50 NGA members, and the Coventry Evening Telegraph.

The dispute also covers the general printing industry, where 1,000 NGA members have either been sacked or face dismissal for applying sanctions.

The NGA and SLADE are threatening to step up their sanctions in protest at an offer described by the employers—the British Printing Industries Federation and the Newspaper Society—as being worth 32½ per cent. on basic rates set under the last agreement a year ago.

Two other unions, the Society of Graphical and Allied Trades and the National Association of Operative Printers, Graphical and Media Personnel, have accepted the offer, which takes the basic weekly craft rate from £29.43 a year ago to £39 now and £41 in November.

The dispute has all the signs of developing into a bitter confrontation with the unions intensifying their action and the employers countering with their hard line on dismissals.

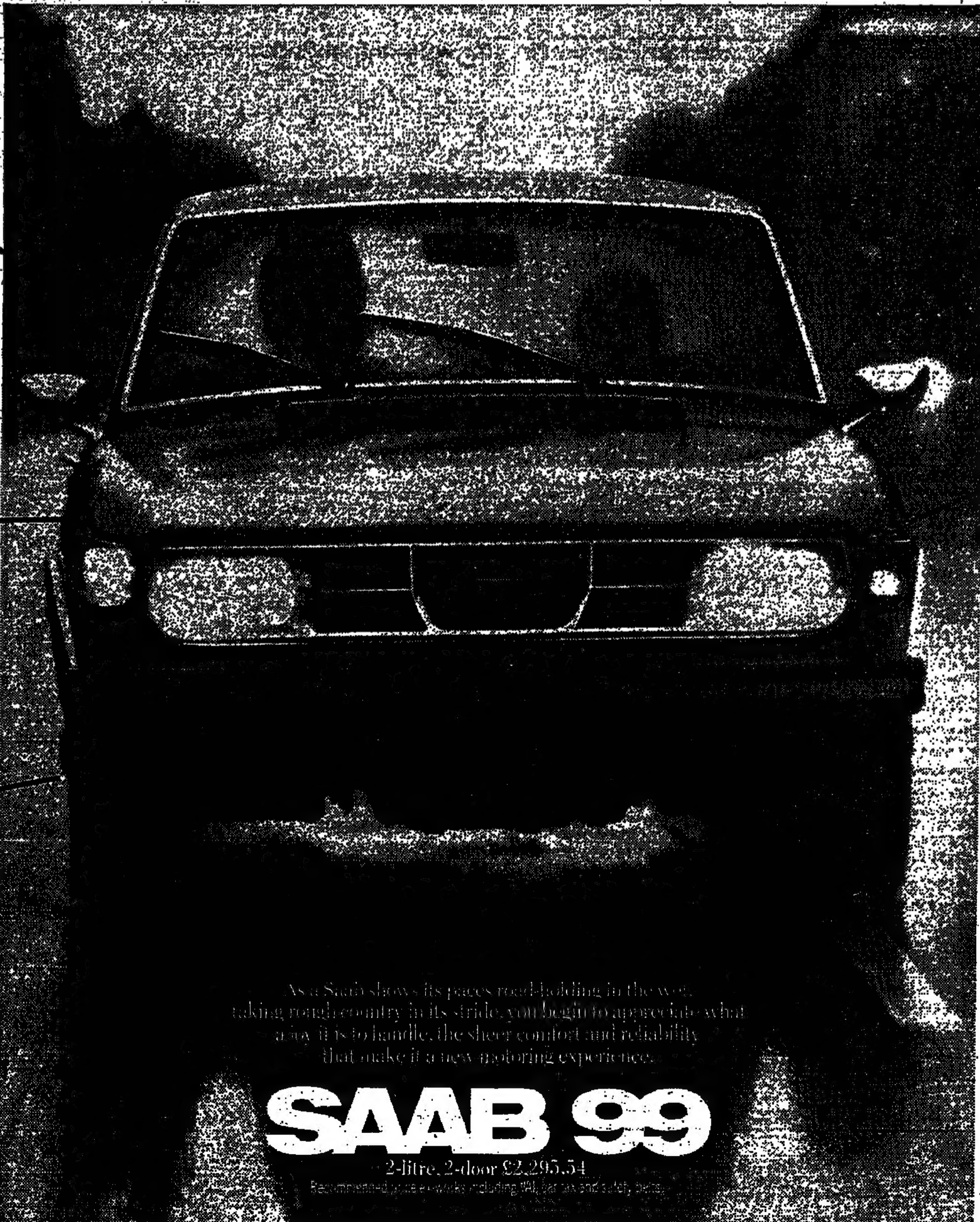
Mr. Norman Walker, head of industrial relations for the Newspaper Society, said at the weekend: "We are absolutely adamant—there is not another penny to be paid. It is the end of the line."

Back to work for 4,000

By Our Merseyside Correspondent

NORMAL production is expected to resume to-day at the GEC-English Electric domestic appliances factory on the East Lancashire Road, Liverpool, when 4,000 workers returned after a one-day token strike.

The men, members of six unions, came out on Friday in support of the 250 members of the technical supervisory section of the Amalgamated Union of Engineering Workers, who are on official strike after the dismissal of a senior shop steward for alleged industrial misconduct.



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COMPARATIVE STATEMENT OF CONDITION

	March 31 1975	 1974
Assets		
Cash and Due From Banks	$ 402,583,000	$ 533,730,000
Time Deposits in Foreign Banks	175,130,000	246,395,000
U. S. Treasury Securities	83,877,000	53,857,000
Obligations of Other U. S. Government Agencies and Corporations	29,098,000	29,008,000
Obligations of States and Political Subdivisions	320,405,000	260,578,000
Other Securities	10,908,000	10,234,000
Money Market Investments	22,727,000	177,670,000
Federal Funds Sold	293,943,000	293,724,000
Loans	1,301,683,000	1,142,241,000
Bank Premises and Equipment, Net of Depreciation	45,927,000	46,597,000
Other Assets	63,493,000	39,474,000
TOTAL ASSETS	$2,749,774,000	$2,833,508,000
Liabilities		
Demand Deposits:		
Individual, Business and Other	$ 782,070,000	$ 695,676,000
Banks	201,754,000	217,554,000
U. S. Government	1,394,000	12,941,000
Total Demand Deposits	985,218,000	926,171,000
Time Deposits	909,070,000	733,498,000
Deposits in Foreign Offices	290,479,000	349,183,000
Total Deposits	2,184,767,000	2,008,852,000
Federal Funds Purchased	343,454,000	643,515,000
Other Liabilities	63,549,000	40,352,000
TOTAL LIABILITIES	2,591,770,000	2,692,719,000
RESERVE FOR LOAN LOSSES	17,068,000	12,053,000
CAPITAL ACCOUNTS:		
Common Stock—$10.00 Par Value, Shares Authorized and Outstanding—4,645,000	46,450,000	46,450,000
Surplus	46,450,000	46,450,000
Retained Earnings	48,036,000	35,836,000
TOTAL CAPITAL ACCOUNTS	140,936,000	128,736,000
TOTAL LIABILITIES, RESERVE AND CAPITAL ACCOUNTS	$2,749,774,000	$2,833,508,000

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REFERENDUM

Overwhelming 'yes' for staying in given by businessmei

BY RAY DAFTER

LEADING businessmen are overwhelmingly in favour of Britain staying in the Common Market, according to the unequivocal response of more than 60 chairman and managing directors to a survey conducted throughout British industry.

Most seemed quite certain that membership had been beneficial to their companies and 53 out of the 64 questioned felt that their businesses would suffer if Britain withdrew.

The Director — the Institute of Directors' magazine—which conducted the survey says today that the response to its questionnaire was one of the most enthusiastic it can remember.

Every one of the "Chairman's Panel" who answered "on the record" indicated that they would be voting in the affirmative at the June 5 referendum.

Their views were summed up by Mr. Peter Trench of Y. J. Lovell (Holdings): "It is my belief that every company in this country would suffer if Britain were to withdraw from the EEC.

"There may be some long-term alternatives, although I do not know one myself, but in the short term there is bound to be a further lack of international confidence for investment in this country in the event of a withdrawal, a run of the pound, and an accelerating dip into depression. My company will go down the slippery slope with everybody else."

Lord Pritchard, of Rothman's International, also gave a warning of the consequences of withdrawal: "We would be forced to transfer all our exports to Europe to one of our Continental factories to maintain trade which, if we had to face EEC tariff barriers, would disappear.

"We would be forced to close our main U.K. factory which sells 95 per cent. of its production abroad."

Mr. George Burton, of Fisons, said that withdrawal would lead to a "complete revision of plans, including greater emphasis on manufacture on the Continent."

The survey shows that the range of business interests endorsing the Government's re-negotiated terms of EEC membership, covers a wide spectrum of U.K. industrial and commercial activity. The chairmen of State-owned Bri Aircraft Corporation and National Coal Board were am those in favour.

Mr. Patrick Meaney, of The Tilling, conceded it was not e as yet, to quantify the res of EEC membership. The p cipal gain was that "member has created a more enthusia understanding and recep atmosphere in Europe for selling of British products services and investment British companies."

Asked whether Britain w be able to find alternative continued membership of EEC, Sir Maurice Laing, of Laing Construction replied: is too late.

"A number of years ag might well have been abl expand Britain's trading rela ship with Commonwealth c tries, and particularly with Zealand and Australia, but is no longer possible. The e cast."

Mr. Howard Hicks, of the Group, thought that alterna might be possible. "Our tra is that at present I do no in any political party eithe powers of leadership or ability to accomplish Herculean task."

Cost is too high —Shore

BRITAIN'S ANNUAL membership of the Common Market was likely to cost £500m., or £2.5bn. in the lifetime of a single Parliament, Mr. Peter Shore, Secretary of State for Trade said.

"It comes on top of all the other disabilities that we are and will continue to experience from a menacing trade gap—the requirement to buy high-cost European food, and the substantial and damaging outward flow of British money into the EEC."

Mr. Shore said the EEC was not a community and anxious to help and accommodate Britain.

If it was, neither the original negotiation nor the recent re-negotiation would have so "lamentably failed."

He told the annual conference of the Association of Scientific Technical and Managerial Staffs in Bournemouth: "In reality we are dealing not with a community but with a group of nations, centred upon the Franco-German Alliance, each strongly pursuing its own national economic interest."

Britain could expect no shelter from its problems in the "harsh economic conditions of the Market." In a few years Britain would be paying nearly a quarter of the total EEC budget but getting only 15 per cent. of the income.

Pro-EEC men running-scared, Antis told

MR. NORMAN BUCHAN, the former Scottish Labour Minister who resigned over the Market issue, told anti-Marketeers to stick to the real issues and "ignore the smear campaign" against Mr. Anthony Wedgwood Benn, Industry Secretary.

"Nothing is more dangerous than the spectacle of the British Establishment in one of its periodic fits of red-baiting," Mr. Buchan, MP for West Renfrewshire, told an anti-Market rally in Kirkcaldy, Fife.

Judging from the tone of the pro-Marketeers recently, they were running-scared despite the opinion polls.

Putting money in the Market

THE CONTRAST between the large volume of direct investment in the EEC by U.K. companies and the much smaller flow of capital in the reverse direction is highlighted in figures issued by the Department of Trade.

The figures, given by Mr. Eric Deakins, Parliamentary Under-Secretary of State, in a Commons answer on April 29, show that U.K. net direct investment in the EEC rose from £222m. to £519m. between 1972 and 1973. In the same two years, EEC net direct investment in the U.K. rose from £37m. to £106m.

The figures are not exactly comparable since 1972 covers only "the Six" while 1973 includes "the Eight," but they give some indication of British industry's interest in investing directly in the EEC during the first year of the U.K.'s membership of the Community.

The table shows that the biggest increase between 1972 and 1973 was recorded by companies in the food, drink and tobacco industries, followed by the chemical industry.

	U.K. investment* in EEC 1972	 1973	EEC investment† in 1972	 1
Mechanical eng. & instrumt. eng.	23.8	17.8	0.9	—
Electrical engineering	6.7	16.3	−1.4	—
Motor vehicles	8.3	12.6	−1.1	—
Food, drink and tobacco	32.9	103.6	4.0	
Chemicals	16.4	82.8	9.2	
Paper, printing and publishing	3.1	9.0	0.6	1
Other manufacturing	15.8	29.9	4.0	
Distribution	75.1	82.1	4.7	2
Other activities	40.2	165.2	17.0	5
TOTAL	223.3	519.3	37.3	10

* Excluding oil. † Excluding oil and insurance.
Note: The 1972 figures comprise the six original members; the 1973 figures cover "the Eight."

The figures also show the large investment made in distribution, presumably reflecting the efforts made by many British companies to strengthen their sales and distribution arrangements on the Continent.

Investment by EEC companies in U.K. manufacturing industry was relatively modest in 1972 and 1973, although in the latter year there was a substantial investment of £14.8m. in paper, printing and publi sector.

There was, however, a jump from £4.7m. to £2 in EEC investment in dis tion. This is likely to stemmed from the desire of companies to improve their organisation in the U.K. f ing the enlargement of Community.

POINTS FROM SPEECHES

Remote control will hit jobs, says Benn

MEMBERSHIP of the EEC would mean redundancies in Britain's steel industry and interference in the British Leyland rescue operation, **Mr. Anthony Wedgwood Benn,** Industry Secretary, told miners at Barnsley.

Under articles in the Treaty of Paris, a cut in steel would be ordered by the EEC "and there will be nothing an elected Secretary of State will be able to do to prevent men being laid off."

Similarly, plans to rescue British Leyland could be stopped by Article 92 of the Treaty of Rome which only allowed the Government to help the motor group providing it did not interfere with fair competition.

"It is a basic question of jobs. It is no exaggeration to say we gave up our right to run our own industrial and economic policy to the EEC. This country will de-industrialise at a faster rate.

Mr. Roy Jenkins, Home Secretary, attacked those who shared "a desire to see our national morale undermined and our influence in the world destroyed."

He was speaking at the first Britain in Europe rally at the Free Trade Hall, Manchester. Extremists, both Left and Right wing, nearly all wanted Britain out of the EEC, and nearly all moderates — himself included — wanted Britain to stay in.

But there were other people "who genuinely believed, often from good but mistaken motives, that we can best protect our security and independence by standing alone.

Mr. Enoch Powell said that the Referendum controversy was threatening to turn the Conservative Party into a party of class, "and thus doom it to extinction."

He told a public meeting in Bournemouth that the pro-Market argument on the sovereignty issue had undergone a "sinister" change.

Hitherto it had gone: "We shall pool our sovereignty to share in a more powerful sovereignty." This, though delusory, was at least an honourable argument.

Now, the advocates of British membership were declaring that unless we remained in, Britain would fall a prey to socialism, or the Left wing or to Communism.

These people were saying: "You can no longer rely upon yourselves, or the British electorate, to reject the politics which you abhor.

"Your only safety is that these matters be taken out of the hands of the British nation and entrusted to those who are wiser, and, incidentally, more dedicated to capitalism, than the British."

It was "horrifying" that this logic was being greedily absorbed by large sections of the public.

Mr. William Whitelaw, Tory deputy leader, said: "Decisions are going to be taken within the EEC that affect our lives and our future whether we are there or not.

"If we wish to continue to be able to influence events and provide that leadership in international affairs which is one of the great traditions of our country, then it is vital to us to have a forum in which to help exercise the collective sovereignty of Europe.

"That can happen only if we remain in the Community."

Pro-Marketeers were accused of playing on unjustified fears and causing the pound to drop by **Mr. Neil Marten,** Tory MP and chairman of the National Referendum Campaign against Britain remaining in the EEC.

Leading pro-Marketeers were "displaying a dangerous despondency and defeatism," he said in Rugby.

Staying in the Common Market was the only practical and coherent long-term policy that would benefit Britain, Liberal leader ***Jeremy Thorpe*** said.

Trade union 'Yes' vote 'is growing'

By Our Labour Staff

SUPPORT for a Yes vote by trade union members is growing at a "remarkable" rate, according to the Trade Union Alliance for Europe which has as its president Lord Feather, the former TUC general secretary.

A statement issued to-day by the Alliance's chairman, Mr. David Warburton, a national officer of the General and Municipal Workers Union, suggests that if the opinion polls are correct and all 10m. trade unionists vote in the referendum, they would come out 6.25m. to 3.75m. for staying in.

Demand for information from union members in all parts of Britain had been "tremendous," declared Mr. Warburton, adding that the Alliance would be "pulling out all the stops to counter the panic propaganda which seems to be all the anti-Marketeers have left as ammunition."

Support for the Alliance had come from many members of unions which were still on record as being against EEC membership. Many unions which originally opposed entry had not reconsidered the renegotiated terms while those that had had either declared a Yes vote or had remained opposed to membership but with the pro-Marketeers "greatly improving" their position.

Plastics

The Financial Times proposes to publish a Survey c Plastics in its issue of Thursday, 12th June, 1975. Th following indicates the proposed editorial content.

1. **Introduction.** The plastics industry, with a turnove of some £2.2bn., is a key industrial sector producin material and products not only in its own right bu also components for virtually every other industr The past few years have been the most difficult an varied in the comparatively short history of plastic influenced by the four-fold increase in oil price booming demand which squeezed production capaci and now, in many sectors, a depressed market. B the long-term prospects still look bright, with abov average growth rates.
2. **Exports.** About a third of the industry's tot production is exported and last year manufacture and processors were seeking increased overseas sa in a bid to tap the higher-priced markets. T economic recession has dampened export prospe in the early part of the year. When will the mark regain its strength and which will be the bigge growth areas?
3. **Management and Marketing.** The industry has be self-critical about the way it carries out its marketi and pricing of plastics materials and products. T steps that the companies, and the British Plast Federation in particular, have been taking to gi the industry a sharper marketing edge.
4. **Materials Suppliers.** The chemical industry is invest some £2.3bn. in the U.K. over the next th years, a substantial proportion of this in the pet chemicals sector. At a time when feedstock and r material supplies have assumed paramount importan how is investment likely to keep pace with deman
5. **Processors.** How is this diverse and somewh fragmented sector standing up to the pressure of hi priced raw materials? As it is at the sharp end the industry, how is it reacting to public pressu and attitudes through technological progress a improved designs?
6. **Additives.** An important, but often overlooked sec of the plastics industry concerned with such materi as plasticisers, fire retardants, lubricants a pigments.
7. **Machinery Manufacturers.** Lack of producti capacity, stemming from low investment over a deca or so, left the industry incapable of meeting all domestic demand when U.K. processors embarked their recent expansion and modernisation programn The way machinery manufacturers and toolmak are responding to the challenge and strong co petition from abroad.
8. **The Environment.** The plastics industry has be thrust into the arena of public debate, whether it on pollution—the implications of waste plastics; safe —the effects of cancer risks in the production of PV or fire hazards—the controversy surrounding the 1 of Man Summerland disaster and the banning by GLC of some plastics in its housing. What is t industry doing to overcome these problems and allay public concern?
9. **The Market.** This article, or series of articles, w look in detail at some of the major markets plastics and the way they have been influenced price increases and competition from other, m traditional materials:
    - The Building Industry;
    - Packaging;
    - Motor Industry;
    - The home—furniture, kitchenware, etc.

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Research chiefs warned against State control

BY DAVID FISHLOCK, SCIENCE EDITOR

COMPETITION from "high speed" gas did more to increase the efficiency of the electricity supply industry in Britain and a desire to give service than all the urgings of chairmen and Government Ministers, an international gathering of industrial research chiefs in Edinburgh were told by Prof. Sir Ronald Edwards, in a week-end address.

Prof. Edwards, who had been chairman of the Electricity Council when research successes made gas a serious competitor to electricity, warned the scientists against accepting the inevitability of government control of such industrial research and development.

He identified himself firmly with those who believed the involvement of governments to be a "cumbersome interference with the independence of industrial activity."

Professor Edwards, who became president of the Beecham Group this month after seven years as its chairman, was addressing the annual conference of the European Industrial Research Management Association, at which many of Europe's most research-conscious companies were represented. The theme of the conference was industry-government relations in research and development.

"No one doubts that free enterprise has faults, has weaknesses and a patchy record," he said. It was still better to work at improving this system rather than switch responsibility from individuals to the State. Such power concentration in the hands of the State could lead to corruption.

"I do not mean corruption in the ordinary money sense. I mean corruption through domination of individual freedom, freedom to try one's ideas against those of the establishment, freedom to choose between employers, freedom to choose between the products of different manufacturers, freedom to complain."

There was even the danger of penalties, or a total bar, on freedom to move from one country to another.

"Those of us who believe that political and economic freedom depend on one another and who also believe that these freedoms are to be cherished, have a hard task of education ahead of us."

Other Home News on Page 31

Despite the arguments about technological fall-out "and all the other glib justifications for some expensive scientific and technological work," he doubted whether the case for many government projects was adequately made in terms of the welfare of the people.

Pride and prestige were "tremendously important factors," he acknowledged, but where they had penetrated industrial research "they have sometimes resulted in a rate of innovation that may not easily be justified by the economics of the industries concerned, and sometimes in downright waste."

Although a "passionate European," Prof. Edwards foresaw great problems in EEC collaboration in research. There was still so much nationalism that governments' co-operation in depth on this front was unlikely except in limited areas and even in those areas the difficulties would be great.

Of the drug industry, he said that worldwide rivalry between individual firms had produced "striking developments, striking discoveries, and improvements in the lot of mankind." It was hard to match the achievements of U.S., U.K., German, French and Swiss companies, with "anything of comparable significance in those societies that believe in close, central planning."

Research attitudes were very different in university or government laboratories, where jobs were safe, and in companies where "either your research must be successful in producing products or processes that people want, otherwise the research will be cut down and your job will be at risk."

Growing use of industrial espionage in Britain

BY ARTHUR SANDLES

ECONOMIC problems are heightening the use of industrial espionage in Britain as companies struggle to keep one step ahead of their competitors, according to an article in CBI Review.

"However far-fetched it may be thought, it must be of concern to everyone in industry and commerce that many companies are adopting what they describe as 'aggressive' market research to keep an eye on their competitors as their markets contract," says the article, written by Mr. Vincent Carratu.

It suggests that bugging devices are being found in company boardrooms and that there is "growing evidence of the use of industrial 'sleepers'—spies planted in a company to steal commercial information when the occasion arises."

Some companies were carrying out straightforward industrial espionage under the guise of market research. If a company wanted to discover what new products its competitors were working on or to know the basis of a particular formula, it could find out.

House demand still slack, say building societies

BY JOE RENNISON

THERE SHOULD be no sharp increase in house prices in the immediate future, according to the Building Societies Association.

The Association says in its quarterly bulletin, Facts and Figures, published to-day, that demand is still slack in relation to supply and that houses are still historically expensive in relation to income.

This reflects the boom in prices in 1972-73 and the increase in the mortgage rate from 8¼ to 11 per cent. in the second of those two years.

The BSA says that the income/house price ratio is again narrowing rapidly and this could lead to a sharp increase in prices when the ratio is in balance.

It could also mean that builders will expect a large increase in selling prices if they are to undertake development on any large scale. So far, in the past few months many of them have been willing to sell at cost or even at loss in order to improve cash flow.

The stock of unsold houses is diminishing, however, and builders will want to be re-assured that the 25 per cent. increase in building costs in the past year would be reflected in future prices of new homes.

The bulletin gives three reasons why the well-publicised enormous increase in net inflow of funds into the societies in the first quarter of the year (which shows signs of breaking even further records in the second quarter) has not percolated down to the prospective borrower as quickly as the public might expect. The reasons are:

1) The repayment of the £500m. loan by the Government last August has reduced the amount available for lending. But most of this will have been paid off by now.

2) The net increase in receipts was not anticipated and will take some time to work through to commitments and advances.

3) The societies are building up their liquidity as their own ad hoc stabilisation fund. Another reason for the increase in liquid funds is "the uncertainty about future economic developments."

Figures in the bulletin show the sharp rise in the liquidity ratio of the societies over the last two years.

ASTMS join opposition to policyholders Bill

THE Association of Scientific, Technical and Managerial Staffs (ASTMS), the union headed by Mr. Clive Jenkins, has joined the opposition to the Government's Policyholders Protection Bill.

ASTMS, which represents staff in several leading insurance companies, says in a formal statement that it believes that the Government's scheme for rescuing policyholders of insurance companies which run into financial difficulty is misconceived.

It also calls for further regulations to control advertising in the industry and insurance brokers.

It also urges that "a system of control of intermediaries" should be established and suggests that in order to combat the present situation in which almost anyone can set up as an insurance broker, there should be a system of licensing of intermediaries with an insistance on adequate training and adherence to a professional code of conduct.

Plastics industry fights GLC ban on polypropylene chairs

BY RAY DAFTER

THE PLASTICS industry fears that a Greater London Council "campaign" against the use of polypropylene chairs in schools and other premises may jeopardise a £14m. a year market.

In a strongly-worded letter to Sir Reginald Goodwin, Leader of the GLC, the British Plastics Federation claims that its members have been treated "shabbily" by the council, and that commercial damage was being done to the plastics industry.

The clash concerns the council's concern about the fire hazards of polypropylene chairs, particularly in schools without sprinkler systems. These types of chairs have an established schools use—some 3.5m. of them were supplied to schools in 1973, for example.

The federation says it has now heard that the GLC is no longer ordering new polypropylene chairs, nor is it renewing supply contracts. In addition, it is claimed, doubts about the chairs are being communicated outside the GLC by council officials.

"The Federation is finding that a market for a well-established, widely-used and extremely-safe-in-use product is being threatened in an unsatisfactory manner."

The GLC said yesterday that the matter was still under discussion and that a statement would probably be issued in the near future.

It is believed that the council officials are concerned about two particular safety aspects of the chairs: the ease with which they can be ignited and their burning behaviour when stacked.

A committee of materials and chair manufacturers—including ICI, Shell Chemicals, GPG Holdings, Ekco Plastics and Hille International—prepared a paper setting out the industry's view. It pointed out that the material's strength and resistance to mechanical damage gave it favourable performance in the face of vandalism. "The point must be made that chairs from other materials can also be ignited and will burn, particularly in the face of a determined arsonist."

The Federation claims that none of its members has been given anything in writing to indicate the problem which is causing GLC officials such concern.

It is now requesting that Sir Reginald should receive an industry deputation, headed by Mr. Ron Lewis, president of the Federation and managing director of GPG Holdings.

British Land's Dutch letting

By John Trafford, Property Editor

BRITISH LAND, the property development company headed by Mr. John Ritblat, has let 16,000 square metres of office space in the Bogaard Centre at Rijswijk, Holland, to the Dutch government.

This brings the lettings already achieved in this 50,000 square metre office development to 85 per cent.: British Land's part of the development, amounting to some 40,000 square metres, is now 90 per cent. let.

The British company bought a large part of the office scheme from the developer, Nefkens, last year using a 10-year fixed loan as finance. The developer had guaranteed the income from the offices for five years on a basis that made the deal self-financing.

The Bogaard Centre, which includes Holland's tallest office block and comprises three buildings, is close to The Hague. Tenants include KLM and Gist-Brocades.

Cheque clearings up in April

FINANCIAL TIMES REPORTER

CHEQUE turnover in the Bankers' Clearing House last month totalled £158.1bn., or 6.6 per cent. more than in the previous April.

INTER-BANK CLEARINGS AT BANKERS' CLEARING HOUSE

	April, 1975 £m.	April, 1974 £m.	Change %
Credit clearing	1,957	1,496	+ 30.8
Debit clearing:			
Town	141,176	134,942	+ 4.6
General	16,968	13,370	+ 26.9
Debit total	158,144	148,312	+ 6.6
	Jan.-April, 1975 £m.	Jan.-April, 1974 £m.	Change %
Credit clearing	7,019	5,773	+ 21.6
Debit clearing:			
Town	531,936	533,428	− 0.3
General	60,102	52,412	+ 14.7
Debit total	592,038	585,840	+ 1.1

Park Lane flats will be sold

By John Trafford, Property Editor

TWO LARGE blocks of flats in Park Lane, Mayfair, are likely to be offered for sale shortly, following a decision by a bank consortium including Middle East interests to realise certain charged assets of the failed Lyon Group.

The two blocks, Fountain House and Aldford House, are next to each other and between Grosvenor House and the Dorchester Hotel. Together with the Calthorpe Estate, Gray's Inn Road, they comprise the three assets of the Lyon Group against which the consortium had granted loans of more than £10m.

Exchequer gap increases

Financial Times Reporter

THE EXCHEQUER'S net borrowing requirement in April was £429.1m., against £179.5m. the previous April. Consolidated Fund operations produced a deficit of £132.8m., compared with a surplus of £97.2m.

U.K. REVENUE

Consolidated Fund	Budget estim'te 1975-76	Apr. 1 to Apr. 30, 1975	Apr. 1 to Apr. 30, 1974
Revenue—	£m.	£m.	£m.
Inland Revenue..	17,078	1,441.6	974.5
Customs & Excise	9,000	819.5	665.8
Motor Duties......	773	53.4	52.1
Selective Empl. Tax	—	—	—
Br'cast Rec. Lic.	234	18.2	11.9
Interest & Divs..	146	5.0	4.7
Other..............	880	62.7	19.2
Total Rev.	28,110	2,400.8	1,748.0
Expenditure—			
Supply Services..	28,729	2,450.8	1,629.6
Nat. Debt Service —paym'ts to NLF	1,245	17.0	—
To N'thn. Ireland	484	46.6	31.4
Payments to Europ. Comm's	382	32.8	26.4
Conting. Fund...	—	−15.0	−50.0
Other Services...	18	1.6	5.5
Total Expend......	30,858	2,533.7	1,660.2
Surplus transferred to Nat. Ins. Fd..	—	—	97.2
Deficit met from N.L.F.	2,748	132.8	—
NATIONAL LOANS FUND			
Receipts— Interest, etc......	2,405	151.2	137.3
Nat. Debt Service Balance met from Con. Fund	1,945	17.0	—
Surplus from Con. Fund.	—	—	97.2
Death Duties Surrendered Secs. Acc. — Transfer of Surplus.........	—	—	—
Exch. Eq. Acct. Sterling Cap....	—	—	−250.0
Borrowing—	4,853	439.1	170.5
Opening balance April 1........	—	2.1	1.9
Total..............	8,283	609.4	156.8
Payments— Nat. Debt. Int....	3,570	160.5	125.2
Nat. Debt. management and expenses	50	7.9	6.7
Consol Fd. Deficit met from N.L.F.	2,748	152.8	—
Loans (net)........	1,656	286.4	22.6
IMF-m'ntenance £ holding.......	—	—	—
Closing bal.........	—	2.0	1.9
Total..............	8,225	609.4	156.8

Floating Debt	Apr. 30 1975	Mar. 31 1975	Apr. 30 1974
	£m.	£m.	£m.
Ways & Means Advances...			
By Bk. of England	18.9	3.0	26.5
By Public Depts.	1,099.5	974.0	783.6
Try. Bills outstdg	7,822.9*	7,251.5	5,138.8
Total............	8,941.3	8,498.5	5,948.9

* Includes £32.4m. not brought to account within the period.

Davies & Newman Holdings Limited

Salient points from the Statement by the Chairman, Mr. F. E. F. Newman MC for the year to 31st December 1974.

- ✱ Turnover over £39 million.
- ✱ Increase in group profits.
- ✱ Shipbroking profits stabilized by time charter commissions.
- ✱ Dan-Air now operates a fleet of 36 aircraft.

Prospects — The Shipbroking subsidiary has continuing revenue from previously concluded fixtures and new building contracts. This will be of great value in maintaining the level of profitability in this company. On the Aviation side, Dan-Air's aircraft are well employed for the current season; and maintenance contracts for other airlines ensure full activity for our aircraft engineering subsidiary. Many factors outside the influence and control of the Board do not permit a forecast, but barring unforeseen circumstances, business in hand should be sufficient to produce another satisfactory year.

Comparative Figures	1974 £'000	1973 £'000
Turnover	39,109	29,692
Profit before tax	1,137	1,031
Profit after tax	512	519
Dividends per share (gross)	9.147p	8.1325p
Retained earnings	431	292

Copies of the Annual Report for 1974 may be obtained from the Company Secretary, 36-38 New Broad Street, London EC2M 1NH.

'To some old people life is no laughing matter'

ERIC MORECAMBE

"Making people laugh is my life, but sometimes it baffles even me that some of our old folk can be so jolly. It's no laughing matter to exist in a cold, damp room with often only an old radio for company. So I want to do more than make them laugh. I want to know that some of my money will go to helping old people to lead a better life."

Even a modest legacy can do so much to rescue old folk from loneliness and promise them a future and companionship to look forward to through a Help the Aged day centre, and from other helpful services.

A legacy to Help the Aged keeps your goodwill at work helping old people in need for many years to come. A legacy can actually reduce liability for Gift Tax on large estates, and is free of all duty or tax up to £100,000.

Commemorate someone dear to you now.
£150 inscribes a name on the Founder's Plaque of a new Day Centre.

Please write for further information to The Hon. Treasurer, the Rt. Hon. Lord Maybray-King, Help the Aged, Room FT3L, 8, Denman Street, London W1A 2AP.

Michael Ashmore is taking care of business in the Arab world.

Mr. M. Ashmore.

Midland Bank is pleased to announce the opening of its Middle East Group Representative Office in Beirut.

This will add a further dimension to our already strong, long-standing relationship with the Arab world and its financial institutions, both indigenous and foreign. The bank has been, and continues to be, a leader in trade finance between the Arab countries and the UK, and in addition enjoys the confidence of many central banks and governments.

The office will be under the direction of Mr. Michael Ashmore who has already acquired considerable banking experience in the Arab world.

Pending completion of our permanent accommodation, you can contact him at Suite 127, Hotel Saint Georges, Beirut. Tel: Beirut 364500.

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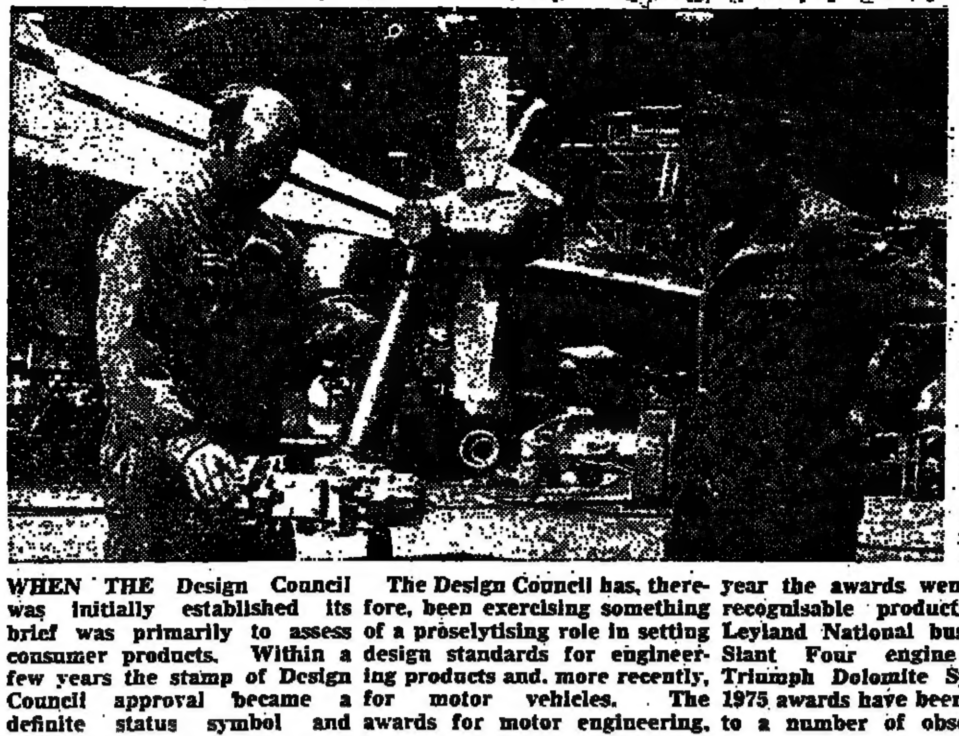
The Executive's World : The Office

EDITED BY JAMES ENSOR

THE 1975 ENGINEERING DESIGN AWARDS



WHEN THE Design Council was initially established its brief was primarily to assess consumer products. Within a few years the stamp of Design Council approval became a definite status symbol and almost certainly an aid to increased sales. But while consumer products obviously benefit from good, modern, functional design it is much less obvious that industrial products either need be, or benefit by being aesthetically styled.

The Design Council has, therefore, been exercising something of a proselytising role in setting design standards for engineering products and, more recently, for motor vehicles. The awards for motor engineering, announced last week, have suffered the fate of so many engineering design competitions. They emphasise the engineering rather than the design and descend into highly technical aspects of componentry. Thus, while last year the awards went to such recognisable products as the Leyland National bus and the Slant Four engine of the Triumph Dolomite Sprint, the 1975 awards have been allocated to a number of obscure components in the fuel feed and exhaust system areas.

The engineering awards have, so far, managed to avoid this descent into technical pedantry. The JCB Excavator, seen above, for instance is a good-looking vehicle even though it has been designed for a solid and unglamorous, workaday role of shovelling stone and earth in quarries and building sites. It is interesting to note that the Bamford Excavators are also more versatile than many of their competitors and that the production efficiency of the Staffordshire plant where they are built is superior to that of Bamford's much larger competitors such as Caterpillar, Poclain and Komatsu.

The Emergency Ram Air Turbine, built by Dowty Rotol, for such aircraft as Concorde, the European Airbus, the Tri-Star, Mercure and Hawk jet trainer is a piece of pure aeronautical engineering. Compact size, low weight and maximum reliability are the vital engineering parameters and appearance is largely a by-product of these demands. Nevertheless the turbine looks functional and efficient as well as having certain unique design features such as hydraulic control. Rotol has achieved enormous success in the highly competitive, American-dominated aviation business and currently exports 90 per cent. of its output.

The Studio Fader, manufactured by Penny and Giles is a more technological development, also emerging from the aircraft industry since the company initially developed the conductive qualities of plastic for aircraft use. The fader is used for mixing and dubbing tape in a recording studio.

Other design awards have been given to Colt International for its Universal Louvre, an attractive external wall-mounted natural draught ventilator for use in factories. They have stood up to 100 mph winds on the Pembroke Coast, where they have been fitted to the Aberthaw power station.

The remaining awards were rather technical—a Ferranti laser, a sewerage tunnelling tem, a Vickers scanning In ferometer and a vandal r tant push-button, as well a sterngear system for ships, an electronic plug and soc Some of these items appea have won awards more engineering and technical m than for aesthetic design there is clearly a danger the Engineering Awards wil the same way as the M Awards and lose public re nition accordingly.

It's time to call in the office doctor

BY JOHN TRAFFORD

"SINCE THE TURN of the year, companies have shown themselves much more concerned with making effective use of the office space they've got," claims Peter Lebus managing director of CE Planning, a small consultancy firm specialising in office layout.

It is scarcely surprising. Rates have gone up in many cases by between 40 and 60 per cent. this year, salaries of clerical staff bound ahead and the decontrol of business rents has meant that companies whose leases should have come up for review during the period of control suddenly found themselves faced with very large increases. Although not typical, some companies have had to face increases of 700 per cent. since decontrol became effective on March 19. It is little wonder that the Location of Offices Bureau has used the decontrol theme as a springboard for its latest advertising campaign to convince companies that now is the time to move out of London.

There are plenty of arguments against moving from the capital and their force varies with the nature of the work. Routine clearical work is relatively easily transferred since a high degree of skill is not required among the staff and newly recruited staff in another location may be just as suitable. But for many companies, the nature of the work and the fear of disrupting the work flow has ruled out a move to a lower cost area of the country.

The management of companies that elect to stay put, in London or anywhere else, are becoming increasingly apprehensive about the rising cost of the office operations but what can they do?

There is no shortage of consultants offering a service concerned with office operations—most of the large firms do so as a matter of course. There is also Herman Miller which offers an "action office system."

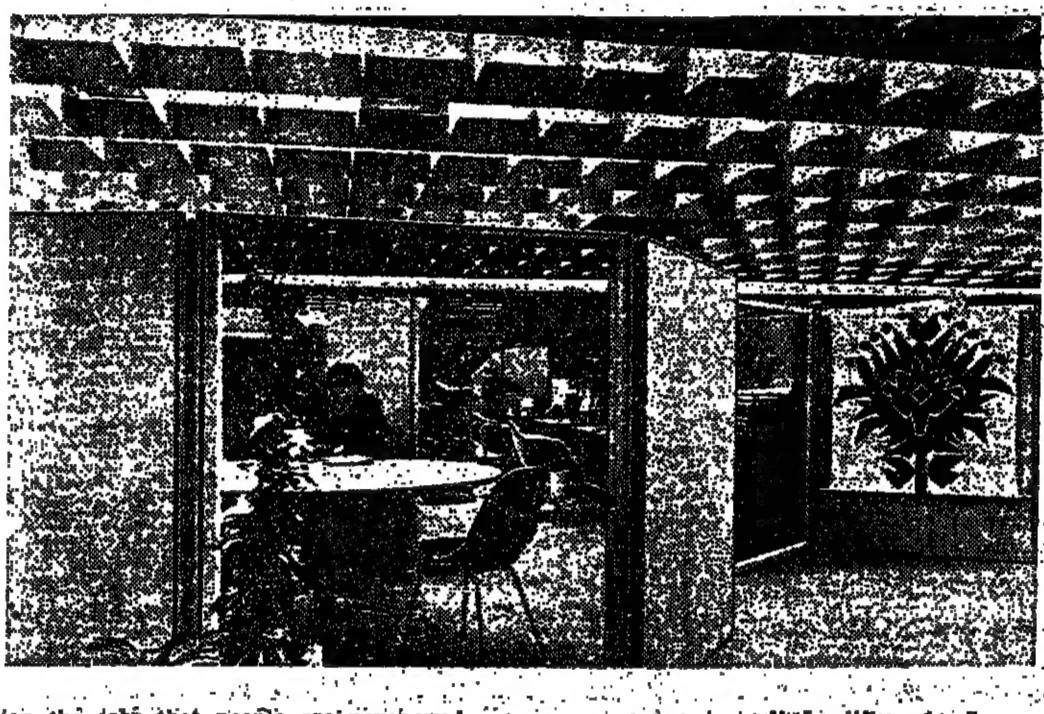
In effect this is a method of saving office space by using a family of furniture units designed on a modular system to combine the advantages of the cellular office and open plan.

A more free-ranging approach has now been launched by the small independent consultant CE (that is, Cost Effective) Planning. Since the beginning of the year Peter Lebus and his colleagues have been promoting a service which they call a Building Audit. There can be no denying that, with Social Responsibility Audits and Corporate Communications Audits in the air, the company has certainly chosen a trendy title to attract the sceptical client.

The Building Audit works like this. Someone from CE Planning visits the client's management, to talk about the management organisation, the accommodation and the current problems. He then visits the building to see how the space is used, studies organisation charts, looks at office layout and plans of the building, and talks to the staff to get an idea of their views for improvements.

That done, CE Planning assess the potential for improving the use of the office space, for easing work flow and communications, and making the working environment more pleasant. An outline plan covering improvements in these three areas is then submitted to the client. The operation, from start to finish, should not take more than 28 days, according to Peter Lebus and can take, in a simple case, no more than three. If the client accepts the recommendation, CE Planning then draws up detailed designs and seeks contractors for the work.

In consultation with the client it then selects the appropriate contractor and supervises the work. The results, though rarely dramatic, can have a useful effect on office costs. Lebus says that he would normally hope to save between 5 per cent. and 15 per cent. of office space while still making the office workers feel that they are working in a more pleasant, even more spacious, environment. Less easily qualified is the streamlining of office operations. Most difficult of all to assess is the improvement resulting from a better working environment.



Unlike most of the management consultancy firms that operate in this field, CE Planning does not attempt to question the jobs that people are employed to do. This means, according to Lebus, that staff who are interviewed do not regard his consultants as a threat to their jobs and are consequently willing to be frank about the shortcomings of the present system of working.

The only major area where the company does try to change existing working methods is filing—because very large space savings can be achieved by switching, for instance, to microfilm or microfiche, or discarding files which are infrequently or never used.

Generally, however, the changes recommended are in partitioning, services (power points, telephones, lights), the colour of walls, ceiling and floors and the acoustic treatment of them, heating and ventilation and environmental adornments such as plants and flowers. The company only suggest a change in office furniture when an economic case can be made out for it.

Nothing that the firm is offering is in any way revolutionary but the packaging of the service is a little different. In particular, CE Planning is keen to stress the idea that a Building Audit is something which management should have carried out at regular intervals, say every three years.

The idea is analogous to the medical check-up which senior executives are wont to have to make sure that the strain and heavy lunches have not finally caught up with them. Certainly there is a powerful argument to support the view that without regular assessment of the efficiency of an office operation, bad habits and costly wasting practices are boun creep in.

CE Planning tried to la the idea two years ago u the rather forbidding title Business Efficiency Audit failed to catch on, per because economic circumsta were not sufficiently sever make managements scrape barrel for cost-cu measures. But now with restyled Building A launched at the beginnin the year, CE Planning secured two clients, on medium-sized advert agency. Its future success, so much in consultancy present, must surely res whether management find self preoccupied fighting fo very existence in the m ahead.

The broadly-based ma ment consultants like PA, and Urwick Orr tend t sceptical of the approach a ted by firms like CE Plan PA Management Consult through its financial ser division would expect or average office-efficiency as ment to secure 70 per cen the total cost reductions changes in the office sys and procedures. The f modest balance of 20-30 per c of the savings would come f changes in office design and out. Only very rarely does firm take on work which volves improving the la while excluding scrutiny of working methods used in office.

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Banking Systems and Monetary Policy in the EEC

The increasing importance as a trading area of the European Community—with its planned movement towards monetary and economic integration—makes a well-founded understanding of EEC financial institutions essential. With this in mind,
The Financial Times Ltd. has recently published a specialist study—BANKING SYSTEMS AND MONETARY POLICY IN THE EEC.

An independent, organised approach is taken by the authors, who are Professor E. Victor Morgan, Richard Harrington and George Zis of the Economist Advisory Group.

The study is divided into:
Individual Analyses—Banking and monetary systems in all nine EEC countries.
Direct Comparisons between the Systems—Banking and government, banks and the economy, monetary policy, money and inflation, the Eurodollar market, international and multinational banking.
The Future for Monetary and Economic Integration—The implication of the above trends for EEC policies.

Through this individual and comparative analysis, BANKING SYSTEMS AND MONETARY POLICY IN THE EEC provides a concise and simple account of its subject. As well as serving as a useful reference aid, it gives an objective, informed insight into the future.

For complete details on BANKING SYSTEMS AND MONETARY POLICY IN THE EEC—fully illustrated by detailed tables—please complete the coupon below.

TO: KAREN MILLER, THE FINANCIAL TIMES LTD., BUSINESS ENTERPRISES DIV., 10, BOLT COURT, FLEET STREET, LONDON EC4A 3HL.

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BANKING SYSTEMS AND MONETARY POLICY IN THE EEC

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Homo supens

When man took to adopting the unnatural habit of walking upright on two limbs he unwittingly challenged the laws of gravity and has been loser ever since.

Had he been content to crawl or hop most of the time he might have missed out on many advantages denied to lowlier creatures; but he wouldn't have been bothered by piles or varicose veins. But as he is unlikely to revert to his erstwhile posture in the foreseeable future, he must suffer the consequences.

A high proportion of the adult population is troubled by varicose veins; and everybody knows what they look like. The commonest cause is a very simple one. The heart being a pump, forces blood through the arteries to the tissues and the muscles, pressing on the veins, push the waste-laden blood back for revitalisation, the process depending upon non-return valves placed at strategic points. Now, as the upright position ensures a pressure of around 90mmHg. on the valves in the leg veins, it is not surprising that they tend to fail in adult life.

When this happen, the veins become elongated, tortuous and dilated—and not very pretty. Apart from this cosmetic disadvantage, there are more troublesome consequences. Towards the end of the day the legs may feel tired and ache; there may be swelling of the ankles; troublesome itching of the skin; and nocturnal cramps in the calves.

Most of these disturbances are due to stagnation. If the veins cannot carry "dirty" blood away then the arteries are hard put to it supply "clean" oxygen-laden blood to the tissues. The matter is made worse by oedema—fluid in the tissues caused by the disturbance in the exchange mechanism—which reduces oxygen supply still further.

All this is tiresome enough, but matters may become a great deal worse. Itching (which is a very mild form of pain) demands scratching and (even if this is performed only when the sufferer is asleep—which *always* seems to be claimed) leads to abrasions and thus to the so-called varicose eczema. If the process continues long enough and, maybe, the sufferer receives a blow on the shin, then an ulcer may develop. If this happens, then all the ointments and lotions and pastes in the world will not help unless something is done to correct the cause any more than putting fresh coats of paint on water pipes is likely to eliminate the fur occluding the inner walls.

DR. DAVID CARRICK

Shopping for copy

ALTHOUGH there is a boom in the number of instant copy shops in Britain many of them are unprofitable, and undermanned. "We demand cash before delivery," says Mr. Denis Lowry, U.K. sales manager for Gestetner, who supplies a number of the shops with equipment.

The reasons for the high rate of failure are poor organisation and choosing the wrong sites. According to some estimates there are over 500 instant copy shops around Britain, many in obscure areas. But the sheer pace at which the shops have *sprung up have surprised many* people and caught even the best in the industry unawares. Gestetner is only just beginning to get its chain of shops off the ground and Rank Xerox, which dominates the plain paper copier market, is considering expanding its chain of 12 shops. The fact that these two giants are still interested in the market indicates there are good prospects provided that management is sound.

At first, it seems a paradox that given the high density of copiers in Britain's offices, there should still be room for the expansion of a peripheral market like instant copy shops. Virtually every office employing over a dozen people has some kind of copier and it is estimated that there are about 30 copiers for every 1,000 employees. That high density suggests that the market is fast becoming a replacement market.

An excellent study* of the market has been published by Mackintosh Consultants. This study shows that there is an installed base in the U.K. of 250,000 machines which is expected to grow to 311,000 machines in the years to 1979. All of that growth will be in plain paper copiers which will make up over 40 per cent. of the market by 1979 at the expense of the coated paper copiers and the dual spectrum machines.

The annual sales value of the copier market is expected to rise rather slower, indicating a steady fall in prices as the volume market gets bigger. The extent of the switch to plain paper copiers is indicated in the figures that between now and the end of the decade, the annual sales value for coated paper machines will drop from over £5m. to under £1m. while the sales value of plain paper copier machines is expected to rise from £25m. to over £30m.

The analysis they have done of user attitudes may be of relevance to the instant copy shops. The vast majority of customers only take between one and three copies of the original and only slightly over a *tenth take more than 10 copies* of one document. On the other hand an analysis of copies made shows that a little over half of them made are in the volume end (10 copies or more for one run).

The four most important points which consumers look for in a copier or copying service are the print quality, cost, reliability and speed of reproduction.

Despite the current set back in the growth of the copier market in the present economic recession, Mackintosh Consultants are optimistic that there will be a pick-up over the rest of the decade. Indeed, they predict strong overall growth for the whole electronic office equipment market throughout West Europe.

An average annual growth rate of 18 per cent. is forecast for the years up to 1979. This is for the West European market for electronic office equipment and would bring the total size of the market, on a sales plus capitalised rental value basis, up to £2.4bn. by the end of the present decade.

The strongest overall predicted growth of the eleven countries studies is the U.K. whose share is expected to rise from 17 per cent. last year to 19 per cent. The only other country whose market share is expected to rise is Spain (from 4 per cent. to 5 per cent), while shares of the other countries are expected to fall or stay the same.

In general, product prices are expected to fall because o combined effect of lower of semi-conductor compo and increasing market com tion. But the average va products sold could ris users move towards more so ticated products.

Underlying the au optimism is the prediction the number of office work West Europe will rise fro present 38m. to 43.4m. p mainly in government an manufacturing sectors.

That would seem to enough to support fu growth in instant copy *provided they are well ru* main users of the shops a few firms that do not copiers or those whose du ing departments are overlo Also companies that special runs and, finally public that want a copy o odd document.

Provided that costs ca kept down (presently a 5p-8p per copy or around per 100 copies, higher o London) there seems no r why shops should not cor to fill that niche.

Although two of the copy companies, Gestetne Rank Xerox, are bec involved, it still remai highly fragmented marke seems possible, too, that large department stores join in by having copy d ments for their customers.

For those shops that w stay in business there ar cardinal rules: staff, alt unskilled or even casual, s be carefully selected; and vicing must be properly ca for.

Then, if the right site is ch money can be made in i copy shops. Some of generate turnover of well £40,000 a year and that mean high profits. Bu badly managed will go t wall.

* *Electronic Office Equi Markets In West Europe, 1 by Mackintosh Consultant Bruton Street, London. Prices £420-£6,250.*

ROY LEVI

مكتبة الأصل

APPOINTMENTS

Senior post at Tarmac

Mr. H. W. A. Francis, vice-chairman of TARMAC, has been appointed to the new post of assistant group chief executive.

*

Mr. Martyn T. Cooper has been appointed managing director of the U.K. flexible packaging and general print division of the JEFFERSON SMURFIT GROUP. He was previously managing director of Bowater Flexible Packaging and a director of Bowater Packaging.

*

Mr. D. V. Palmer has become chairman of WILLIS FABER (CONSTRUCTION). Other appointments to the Board of this new subsidiary of Willis Faber and Dumas (Holdings) are Mr. J. N. W. Wooderson (managing director), Mr. K. W. Childs, Mr. P. Madge, Mr. R. J. Newmark, Mr. A. J South and Mr. J. W. Waugh.

*

Mr. S. W. Wiltshire has been appointed a non-executive director of TURNER AND NEWALL. He is a director of J. Henry Schroder Wagg and Co.

*

Mr. W. N. Ismay has been appointed a director of WORCESTER PARSONS and will become managing director on June 1. The company is a member of McKechnie Brothers Group.

*

Mr. B. A. Oakley has been aappointed to the Board of MENTMORE MANUFACTURING COMPANY as sales director of the Platignum Pen Division.

*

Mr. J. B. Doyle has been appointed managing director of KEETON SONS AND CO.

*

Following the retirement of Mr. R. Petrie, manager of the Registrar's department of NATIONAL WESTMINSTER BANK. Mr. E. Maynell continues as manager of the department's Bristol office and Mr. C. P. G. Pearn becomes manager of the London office.

*

Mr. H. G. Lewis, vice-chairman of the Northern Counties Motor and Engineering Co., has been appointed to the western advisory Board of the LEGAL AND GENERAL ASSURANCE SOCIETY.

*

Mr. G. J. Robinson has been appointed managing director of MAXLOVE CONTINUOUS in place of Mr. T. J. West, who has resigned for personal reasons. The parent concern is Mardon Packaging International.

*

Mr. J. P. Linklater has become secretary and chief accountant of BALFOUR KILPATRICK in place of Mr. B. Haywood, who has been made a director with special duties.

*

Mr. W. L. Steele has been appointed managing director of OLIVER RIX in place of Mr John D. Dawson, who has resigned as deputy chairman and managing director to pursue his own private business activities but will continue with the company as a consultant.

*

Mr. M. G. Ballard has been appointed managing director of MILLER CONSTRUCTION (Northern), a subsidiary of James Miller and Partners.

J.&A.Scrimgeour Limited

J. & A. Scrimgeour Limited announce that Mr. A. H. F. Selmes, B.E.M., who joined the business in 1933, will retire as a Director on 31st May, as will Mr. W. H. Webster who became a Member of The Stock Exchange in 1933 and has been with Scrimgeours for 14 years. Mr. W. L. Pollock will retire as a Principal Executive of the Company after 29 years' service. Mr. Webster and Mr. Pollock will continue in employment with the Company for a short period after 31st May. Mr. O. H. Chaldecott is also retiring as a Principal Executive after 23 years' service and will join Messrs. Stock & Co., of Bristol. The Company wishes to express its appreciation of the services over many years of all those mentioned.

Mr. T. M. Dobbie, F.F.A., A.I.A., has been appointed a Director and Mr. A. Westmarland a Principal Executive of the Company from 1st June, 1975.

On 16th June the Company will move to offices in The Stock Exchange Tower, 17th Floor, where the new telephone number will be 01-638 6070.

ENTERTAINMENT GUIDE

OPERA & BALLET

COVENT GARDEN. 240 1911. THE ROYAL OPERA. Tonight and Thurs. 7.0 Il trovatore. Tomor. and Sat. 8.00 Elektra. Seats available tomorrow and Sat. THE ROYAL BALLET. Wed. 7.30 Arpege, Shukumei, Pineapple Poll. Fri. 7.30 Coppelia. Seats available Wed. SPECIAL CHARITY CONCERT Wed. at 11.30 pm MONSERRAT CABALLE. Conductor: Colin Davis. Seats available from £12 to £1.50.

GLYNDEBOURNE FESTIVAL OPERA. May 22-August 6. Personal and Tel. bkg. now open. Box Offices Glyndebourne, Lewes, Sussex. Ringmer 80273 812411) and Ibbs & Tillett, 124 Wigmore St., London, W.1. (01-935 1010.)

SADLER'S WELLS. 837 1672. May 14 and 17 at 7.30. New Opera Co. in Szymanowski's King Roger. Also bkg. Gothenburg Ballet. Tokyo Ballet. Progs. avail. Box Office open Mon. to Sat. 10 am to 8 pm.

THEATRES

ADELPHI THEATRE. 01-836 7611. Evgs. 7.30. Mats. Thurs., Sat. 3.00. "JEAN SIMMONS returns in triumph." E.N. HERMIONE GINGOLD "Fabulous woman," D. Mirror. JOSS ACKLAND "Beautiful performance." Observer. A LITTLE NIGHT MUSIC "MUSIC THAT RAVISHES THE SENSES ... A SHOW KISSED WITH GENIUS." Gdn. "IT'S A REAL DAZZLER AND WORTH QUEUEING TO SEE." E. Exp.

ALBERY. 836 3878. Mon. to Fri. at 8.00. Sat. 5.15 and 8.30. Mats. Thurs. at 3.0. DOROTHY TUTIN. PETER EGAN. DOROTHY REYNOLDS. CLIVE MORTON. J. M. Barrie's Comedy WHAT EVERY WOMAN KNOWS "Excellent. Outside subsidised theatres there is nothing to touch it in London." F.T. "Superb. A triumph." D. Mail. Last weeks. Must end here May 31.

ALDWYCH. 836 6404. Evgs. 7.30. Mat. Wed. & Sat. 2.30. LAST TWO WEEKS of RSC in Shakespeare's LOVE'S LABOUR'S LOST (ends May 24). Tom Stoppard's award-winning TRAVESTIES opens May 29. Recorded booking info. 836 5332.

AMBASSADORS. 836 1171. Mon.-Thur. 8.15. Fri. and Sats. 5.30 and 8.45. £5 Theatre and Dinner £5 THERE GOES THE BRIDE "Top price ticket plus 3-course set dinner at a delightful nearby restaurant, with wine, coffee, service and VAT ALL INCLUDED. £5 per head. Prices without dinner £2.50, £2.00 and £1.00. ALSO HINGE & BRACKET in a new Late Night revue SIXTY GLORIOUS MINUTES 11.15 p.m. to 12.15. (All seats £1.)

APOLLO. 437 2663. Evenings 8.0. Mats. Thurs. 3.00. Sats. 5.00 and 8.30. MARGARET LEIGHTON ALEC GUINNESS in A FAMILY AND A FORTUNE

ARTS THEATRE CLUB. 836 3334. Great Newport St. (adj. Leic. Sq. Underground) Instant temp. membership available 15p. Evening Tues. and Sun. at 8.0 King's Head Theatre Production KENNEDY'S CHILDREN "THE PLAY IS FANTASTIC." Observer.

CAMBRIDGE. 836 6056. "MUSICAL HIT OF THE SEASON." E.N. Michael DENISON, Derek GRIFFITHS, Val PRINGLE, Norman BEATON in THE BLACK MIKADO "TERRIFIC ENTERTAINMENT." D. Exp. Evgs. 8.00. Thurs. Sat. 5.30 and 8.30.

CHICHESTER. 0243 86333. Tomorrow, May 14, 16 at 7.0, May 15 and 17 at 2.0 and 7.0. CYRANO DE BERGERAC

COMEDY. 930 2578. Reduced price preview Tonight at 8.0. Opens Tomor. at 7.0. Evenings at 8. Sats. at 5.30 and 8.30. Mats. Thurs. 3 p.m. HAYLEY MILLS PETER DONAT LEIGH LAWSON in Samuel Taylor's new comedy A TOUCH OF SPRING Directed by Allan Davis.

CRITERION. 930 3216. Mon.-Thurs. 8.00. Fri. and Sats. 5.45 and 8.45. MARTY BRILL AS LENNY (Based on the life and words of Lenny Bruce) Limited Season. Last 2 wks. Must end May 24.

DRURY LANE. 836 8108. Evenings 7.30. Matinees Wed. and Sat. 2.30. MICHAEL CRAWFORD in BILLY A New Musical "MICHAEL CRAWFORD. A WHOPPING WONDERFUL STAGE STAR." News of the World. "HE AND HIS SHOW ARE A TREAT." Sunday Express.

DUCHESS THEATRE. 836 8243. Evenings 8.00. Fri., Sat. 6.15, 9.00. ALIVE ON STAGE OH! CALCUTTA! OVER 1,500 PERFORMANCES "BREATHTAKINGLY BEAUTIFUL." S. Tel. "THE NUDITY IS STUNNING." D. Tel.

DUKE OF YORKS. 836 5122. Mon.-Fri. 8. Sats. 5 and 8. Weds. 2.30. Anna NEAGLE Tony BRITTON Also GIFFORD in William Douglas Home's THE DAME OF SARK "SUPERB." Harold Hobson. Season must end May 31.

FORTUNE. 836 2238. Evenings at 8.00. Sats. 5.30 and 8.30. Th. 2.45 red. prices SLEUTH "THE BEST THRILLER EVER." N.Y. Times. 6th GREAT YEAR

GARRICK. 836 4601. Evgs. 8.00 SHARP. Sat. 5.00 and 8.30. Red. price Wed. 3.00 MURDERER by ANTHONY SHAFFER "VASTLY ENTERTAINING BLEND OF COMEDY AND SUSPENSE. THIS ONE WOULD BE A CRIME TO MISS." Mirror.

GLOBE THEATRE. 437 1592. BEST PLAY OF THE YEAR Evening Standard Drama Award TOM COURTENAY in THE NORMAN CONQUESTS By ALAN AYCKBOURN LIVING TOGETHER Tue. and Wed. 8.15, Sat. 5.30; R'ND & R'ND THE GARDEN Tomor. and Th. 8.15, Sat. 8.30; TABLE MANNERS Wed. 3.0, Fri. 8.15.

GREENWICH. 858 7755. CHARADES. THE BORAGE PIGEON AFFAIR. Prev. Tues. and Evgs. 8.0 (excl. Thur. 7.0). Mat. Sat. 2.30.

HAMPSTEAD TH. CLUB. 722 9301. Eves. 7.30. Today Mat. 5. DEAR JANET ROSENBERG, DEAR MR KOONING by Stanley Eveling. Also Eves. at 9.30 OH, IF EVER A MAN SUFFERED by Mary O'Malley.

HAYMARKET. 930 9832. Eves. 7.45. Mat. Wed. 2.30. Sat. 4.30 and 8.00. JOHN CLEMENTS in Ronald Millar-C. P. Snow's THE CASE IN QUESTION "An excellent evening's entertainment ... an enthralling story." Harold Hobson. Sunday Times.

HER MAJESTY'S THEATRE. 930 6606. Evgs. 7.30. Mat. Wed. Sat. 2.30. DAVID HEMMINGS in JEEVES with MICHAEL ALDRIDGE Book and Lyrics ALAN AYCKBOURN Music ANDREW LLOYD WEBBER "Full of gaiety, intelligent wit and joyous self-mockery." S. Times.

KING'S ROAD THEATRE. 352 7488. Mon. to Th. 9.00. Fri., Sat. 7.30, 9.30. THE ROCKY HORROR SHOW "BEST MUSICAL OF THE YEAR" Evening Standard Drama Award '73

LYRIC. 437 3686. Evenings 8.00. Fri. 8.30. Thurs., Sat. 5.00 and 8.30. JOHN, PAUL, GEORGE, RINGO ... AND BERT Evening Standard Award — BEST MUSICAL OF THE YEAR Plays and Players Award — BEST MUSICAL OF THE YEAR

MAY FAIR. 629 3036 and 493 2031. Evenings 8.15. Sat. 5.00 and 8.40 BILLIE WHITELAW, BARBARA FERRIS, and DINSDALE LANDEN in ALPHABETICAL ORDER "Michael Frayn's comedy is a delightful experience." Evening Standard.

MERMAID. 248 7656. Rest. 248 2835. Evenings 8.00. Mat. Thurs. Sat. 3.00. Bernard Shaw's THE DOCTOR'S DILEMMA "IMPECCABLE PRODUCTION." D. Exp. "SPLENDID ENTERTAINMENT." D. Mir. "GORGEOUS AND FUNNY." Guardian.

NEW LONDON. 405 0072. June 2-21. The Original TROCKADERO GLOXINIA BALLET COMPANY. Now Booking.

OLD VIC. THE NATIONAL THEATRE. 928 7616. Tonight and Tomor. at 7.30; Samuel Beckett's HAPPY DAYS Wed. 7.30; Thurs. 2.15 and 7.30: NO MAN'S LAND Fri. 7.30, Sat. 2.15 and 7.30: JOHN GABRIEL BORKMAN Some seats held for sale day of performance from 10 am.

OPEN AIR. Regents Park. 01-486 2431. THE TAMING OF THE SHREW plays The Round House June 3-21. Transfers here week of June 23.

PALACE. 437 6834. Mon.-Thurs. 8.00. Fri. and Sat. 6.00 and 8.40 JESUS CHRIST SUPERSTAR

PALLADIUM. 437 7373. Evenings 7.30. Mats. Wed., Sat. 2.45. TOMMY STEELE in London's Most Beautiful Musical HANS ANDERSEN "SUMPTUOUS SPECTACLE. SPLENDID SONGS. IT'S WONDERFUL." D. Express.

PHOENIX THEATRE. 836 8611. Evenings 8.00. Sat. 5.30 and 8.30 HARRY WORTH "A comedian of boundless charm" Daily Telegraph. AVRIL ANGERS in "NORMAN IS THAT YOU?" "A steady line of laughs." F. Times.

PICCADILLY. 437 4506. Evgs. 8. Sats. 5.30 and 8.30. Mat. Wed. at 3. JIMMY JEWEL ALFRED MARKS in NEIL SIMON'S THE SUNSHINE BOYS "Audience rocking in their chairs"—D. Express. "A laugh a minute." D. Tel. "Continuous laughter." E. Std.

PRINCE OF WALES. 930 8681. Evenings 8.00. Mat. Wed., Sat. 3.00. JAMES STEWART in HARVEY "Heartwarming Triumph." E. News LIMITED SEASON ONLY

QUEENS. 734 1166. Evenings 7.30 sharp. Mat. Thurs. 2.30. Sat. 4.45 and 8.15. JOAN PLOWRIGHT FRANK FINLAY SATURDAY SUNDAY MONDAY Directed by FRANCO ZEFFIRELLI Last weeks — Must end May 31

RAYMOND REVUEBAR THEATRE. 734 1593. At 7 p.m., 9 p.m., 11 p.m. PAUL RAYMOND presents THE FESTIVAL OF EROTICA '75

REGENT. 580 1744. Mon. to Thurs. Evgs. 8.30. Fri., Sat. 7.00 and 9.15 9th MONTH OF SENSATIONAL STAGE SHOW OF THE '70s LET MY PEOPLE COME AN ADULT MUSICAL "Never a dull moment." Evening News. 100 tickets held for sale at door.

ROUND HOUSE. 267 2564. June 3-21 Jeremy Irons, Zoe Wanamaker THE TAMING OF THE SHREW

ROYAL COURT. 730 1745. JOE ORTON FESTIVAL Evs. 8. Sats. 5 and 8.30. Last 2 weeks. BERYL REID MALCOLM McDOWELL RONALD FRASER ENTERTAINING MR. SLOANE "Measureless joy." Daily Mail. "Hilarious." Evening Standard.

SAVOY. 01-836 8888. Evenings 8.00. Sat. 5.00 and 8.15 "ALASTAIR SIM at his best." D. Tel. RON MOODY DANDY NICHOLS THE CLANDESTINE MARRIAGE Directed by IAN McKELLEN All Wed. Mats. Cancelled

SHAFTESBURY. 836 6596. Mon.-Fri. 8.0. (Mat. Friday 5.00. Reduced 75p-£1.50) Sat. 5.30 and 8.30 WEST SIDE STORY "Bursting to life with undiminished theatrical excitement." S. Tel. "A definite winner. I strongly recommend it." F.T. "Miracle." Guardian. "Brilliant." S. Tel.

SHAW. 388 1394. Opens tonight 7.0. Subs. Evgs. 7.0. JULES CROISET in A CERTAIN VINCENT A portrait of Van Gogh "TRIUMPHANT." The Times.

ST. MARTIN'S. 836 1443. Evenings 8.00. Mats. Tues. 2.45. Sats. 5.00 and 8.00. Agatha Christie's THE MOUSETRAP World's longest-ever run. 23rd YEAR.

STRAND. 836 2660. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.30 and 8.30. DORIS HARE, LEO FRANKLYN, RICHARD CALDICOT, ANDREW SACHS NO SEX PLEASE, WE'RE BRITISH LONDON'S LONGEST LAUGHTER HIT

TALK OF THE TOWN. 01-734 5051. From 8.15. Dining and Dancing. At 9.30 Revue A TOUCH OF VENUS and, 11 p.m. DICKIE HENDERSON

TH. WORKSHOP. Stratford, E.15. 534 0310. Eves. at 8. Last Week. BLOODY MARY Opens 28 May WHAT A CRAZY WORLD

VAUDEVILLE. 836 9988. Evenings 8.0. Mat. Tues. 3.00. Sat. 5.30 and 8.40. MILLICENT MARTIN, AMANDA BARRIE in ALAN AYCKBOURN'S ABSURD PERSON SINGULAR Best Comedy of Year. E. Std. Award 73.

VICTORIA PALACE. 834 1317. Evgs. 8.00. Wed., Sat. 6.00 and 8.45. MAX BYGRAVES in "SWINGALONGAMAX" New Song and Laughter Spectacular with Rogers and Starr, Bobby Crush, Denise Keene and Happy, and Full Co.

WESTMINSTER. 834 0283. Evgs. 8.0. Fri. and Sat. 5.30 and 8.30. NIGEL PATRICK DULCIE GRAY PETER SALLIS PETER VAUGHAN BRIAN WILDE in Hit Thriller THE PAY OFF "Immensely enjoyable. Undiluted pleasure. Witty. Exciting." Sunday Times.

WHITEHALL. 930 6692-7765. First Night Tonight and Subs. Evgs. 8.30. Wed. and Sat. 6.15 and 8.45 PAUL RAYMOND presents SNATCH 69 A FANTASTIC, HILARIOUS, EROTIC ENTERTAINMENT

THEATRES

WINDMILL THEATRE. 437 6312. PAUL RAYMOND presents FIONA RICHMOND in LET'S GET LAID Twice Nightly at 7.00 and 9.00.

WYNDHAM'S. 836 3028. Evenings at 8. Sat. 5 and 8.30. Mats. Wed. 3.00. "PAUL SCOFIELD as Prospero SHOULD NOT BE MISSED ON ANY ACCOUNT." B. A. Young. Financial Times. (Limited Season) THE TEMPEST

YOUNG VIC (by Old Vic) 928 6363. MUMMENSCHANZ. "Absurd, satirical, polished, hilariously funny." D. Tel.

CINEMAS

ABC 1 & 2 Shaftesbury Ave. 836 8861. Sep. Perfs. ALL SEATS BOOKABLE. ABC 1: Mel Brooks' YOUNG FRANKENSTEIN (AA). Wk. 2.30, 5.30, 8.30 (Last 3 days). ABC 2: MURDER ON THE ORIENT EXPRESS (A). Wk. & Sun. 2.30, 5.30, 8.30.

CASINO. 437 6877. MONTY PYTHON AND THE HOLY GRAIL (A). Progs. at 1.45, 3.20, 5.40, 8.05. Late Sat. 11.30.

CURZON, W.1. 499 3737. Bunuel's PHANTOM OF LIBERTE (X). Progs. 2.25 (not Sun.), 4.25, 5.30, 8.40. Late show Sat. at 11 p.m. Phone bookings.

LEICESTER SQUARE THEATRE. 930 5252. See! Hear! Feel! TOMMY (A). The film event of the year. Sep. perfs. 1.20, 4.30, 8.00. Sun. 4.30, 8.00. Late show Fri. and Sat. 11.15. All seats bkble. on 930 0416.

ODEON, HAYMARKET (930 2738/2771). Warren Beatty, Julie Christie, Goldie Hawn in SHAMPOO (X). Sep. perfs. Wk. 1.15, 4.45, 8.15. Shampoo at 1.55, 5.25, 8.25. All seats bkble.

ODEON, MARBLE ARCH (723 2011/2). Streisand & Caan FUNNY LADY (A). Sep. perfs. Wk. 2.45, 8.0. All seats bkble.

ODEON, LEICESTER SQUARE (930 6111) David Niven, Toshiro Mifune, Hardy Kruger, introducing Ando. PAPER TIGER (A). Cont. Progs. Wk. 2.00, 2.45, 6.00. 8.15. Royal Circle seats bkble.

ODEON, ST. MARTIN'S LANE (836 0691/1811) DAUGHTERS, DAUGHTERS (A) (subtitled). Sep. perfs. wk. 2.30. 5.30. 8.30.

PARIS PULLMAN CINEMA, South Ken. 373 5898. A BIGGER SPLASH (X). Daily 2.15, 4.30, 9.00. Progs. 2.15. 4.15, 5.30, 8.45.

PRINCE CHARLES, Leic. Sq. 437 8181. The Sensation of London EMMANUELLE (X) Sep. perfs. Dly. (inc. Sun.) 2.45, 6.15, 9.00. Late Show 11.45 Fri. and Sat. Seats Bkble. Lic'd Bar.

SCENE 2, Leic. Sq. (Wardour St.) 439 4470. Cont. Perfs. Dly. from 12.30. Lte. Show 12.05 (inc. Sun.) YOUNG FRANKENSTEIN (AA). Progs. 12.30, 2.45, 5.05, 7.25, 9.45, 12.05.

SCENE 3, Leic. Sq. (Wardour St.) 439 4470. THE TOWERING INFERNO (A). Sep. Perfs. Dly. (inc. Sun.) 2.00, 5.20, 8.40, 11.45. Seats Bkble—All Perfs.

SCENE 4, Leic. Sq. (Wardour St.) 439 4470. 2nd YEAR. The Film Everybody's Talking About. THE EXORCIST (X). Directed by William Friedkin. Sep. Perfs. Dly. 12.30, 3.00, 6.15, 9.00, 11.30. Box Office Open Daily 10-8. Sun. 12-8. Seats Bkble—All Perfs.

TIME CENTA (1). 935 9772. A BIGGER SPLASH (X). Dly. 1.00, 3.00, 5.00, 7.00 and 9.00. Late show every night 11 p.m.

WARNER WEST END Leicester Square Tel. 439 0791. 1. IT'S ALIVE (X) Cont. Progs. 2.40, 4.35, 6.35, 8.35. 2. Steve McQueen, Paul Newman. THE TOWERING INFERNO (A). Sep. perfs. 1.15, 4.35, 8.05. £1.60 seats bkble. 3. Jack Lemmon, Anne Bancroft. THE PRISONER OF 2ND AVENUE (A). Sep. Perfs. 2.30, 5.30, 8.30. All seats bkble.

ART GALLERIES

ANTHROPOS GALLERY. Specialists in Ethnic Arts. 7 Monmouth Street, Upper St. Martin's Lane, WC2. 01-835 0162. Europe's finest collection of New Guinea-Papuan and Eskimo Art. A new exhibition Mon.-Wed. 10-6. Thurs.-Sat. 10-12 midnight. Sun. 1-7.

ROYAL ACADEMY SUMMER EXHIBITION. Contemporary painting, sculptures, etc. Until 27 July. Wkdys. 10-6, Suns. 2-6. Adm. 80p (Mondays 30p). And the PRIVATE ROOMS AND COLLECTED TREASURES. Until 31 Oct. Wkdys. 10-6 (closed Tuesdays). Sun. 2-6. Adm. 50p. Students and pensioners half price.

SABIN GALLERIES LTD., 4 Cork St., W.1. Spring Exhibition of Early English Watercolours and Drawings. April 22nd-May 17th. Weekdays 9.30-5.30 (Thurs. 7.00). Saturdays 10.00-12.30.

BRIAN KOETSER GALLERY, 30, Duke St., St. James's, S.W.1. 01-930 6309. Exhibition of Dutch and Flemish Old Master Paintings of the 16th and 17th Centuries. Until 21 June. Mon.-Fri. 10-5.30. Sats. 10-1.

JOHN WHIBLEY GALLERY, 22 Cork St., W.1. 734 7840. NORAH GLOVER. NEW PAINTINGS.

CLUBS

THE GASLIGHT
(A Gentleman's Club)
of ST. JAMES'S, S.W.1.
Cabaret spots every half-hour
Restaurant facilities
Cover charge £2.00.
Open 9 p.m. till early hours—
Mon. to Sat. inclusive
Enquiries for PRIVATE STAG parties welcomed
Tel. 734 1071 (daytime)
No membership required for out-of-town and overseas visitors
4, Duke of York St., (Jermyn Street), Piccadilly, S.W.1.
Tel: 930 1648 after 6 p.m.

GARGOYLE, 69 Dean Street, London, W1. STRIPTEASE FLOORSHOW RAGTIME STRIP Show at midnight and 1 a.m. Hostesses. Monday-Friday. Closed Sats. 437 6455.

EVE, 189 Regent St. 734 0557. A la carte or All-in Menu. Spectacular Floor Shows plus the rhythm of [illegible] and music of Johnny Hawksworth and Friends.

COMPANY NOTICES

THE NATIONAL BANK OF AUSTRALASIA LIMITED
(Incorporated in the State of Victoria, Australia)

NOTICE IS HEREBY GIVEN that the Registers of Members and Transfer Books of the Company will be closed on Friday 30th May, 1975, for one day only for the purpose of payment of interim dividend on 19th June, 1975. Transfers must be lodged not later than 5 p.m. on 30th May, 1975.

By order of the Board of Directors.
Ivor Reed
Secretary.

CONTINENTAL CAN COMPANY. INC.

Certain information required by The Stock Exchange in London to be available may be inspected during the usual business hours (Saturday and public holidays excepted) at the offices of Kleinwort Benson Limited, 34 Lime Street, London EC3M 7LX, from whom copies of the Annual Report may be obtained.

ANNOUNCEMENTS

MESSRS. R. J. GONDA,
J. N. THORNILEY,
M. A. INGRAM,
A. G. THOM,
will be joining the
partnership of
MONTAGU, LOEBL,
STANLEY AND CO.,
Stockbrokers,
from the 26th May, 1975.

PERSONAL

"EURO-TEC"
(Investigators & Consultants) Ltd.
Security · Confidential · Surveillance
Intelligence · Investigations · Consultants
24-HOUR WORLD-WIDE SERVICE
Telephone: 01-437 4618

FOYLES LITERARY LUNCHEONS. If you would like to receive notice of Foyles Literary Luncheons regularly, please write to Miss Christina Foyle, 121, Charing Cross Road, London, W.C.2.

THE JOBS COLUMN

Broke, as related to broker

BY MICHAEL DIXON

NOT LONG before the residential property market went to seed, my wife and I made a decision. It was to sell our home near London (ectually, a 12-bedroom semi in Cobham, Surrey) and use the proceeds as follows:

1—Buy a cottage on the Dorset coast and convert it into a five-bedroom family home.

2—Buy a Sabre 27 cruising yacht.

3—Pay at least an 80 per cent. deposit on a small London flat for me to live in during the working week.

We secured the cottage, took a rented house near by, and instead of engaging a building firm for the conversion, employed various skilled workers piecemeal.

Now, my wife and sons live in a boisterous five-bedroom seaside home which is very nearly finished. But we haven't got a cruising yacht, I rent a colleague's attic, and we are £5,000 worse off than we were when we made the decision.

(Important note: At no time did I discuss any part of the above proceeding in any way with any of my colleagues who write on the topic of investment in any form. The Dixons did it alone).

So it is a pity, really, that at the time I had not heard about Building Brokers which specialises in going to companies or people who are thinking of converting, extending, or refurbishing buildings; working the client's ideas into shape; putting out the various parts of the whole to tender among numerous construction concerns, putting together the best quotations into a package deal at a given price to the client; and if this is accepted, up goes the building. Having not tried it, I cannot say how well the company does this. But from the rather insensitive way the managing director John Sewell avalanched into guffaws when I sought his sympathy over my miscalculation, Building Brokers is a long way above my league.

The London-based company already has branches in Bristol, Sheffield, Birmingham, Bournemouth, Brighton and Maidenhead, and others scheduled in Kent and Scotland. Mr. Sewell is looking for people who, after a couple of months at head office, could go out and build up a new branch business elsewhere.

Candidates should be youngish, and must have knowledge of technical building-construction. Sales experience a help.

Starting salaries £4,000 upwards. The idea is that when the branch is properly established it becomes a subsidiary limited-company with the branch-builder as managing director taking a share of the equity and profits.

Mr. Sewell's address is 239-241, Shaftesbury Avenue, London, W.C.1. Tel. 01-240 0315.

A GROUP PERSONNEL manager is wanted in Darlington by 800-employee Dufay Paints. New appointment: first to set up recruitment-to-industrial relations service covering three plants in North-east and one near Gravesend: later to concentrate on industrial relations. Responsible to managing director, Cecil Attwood. Candidates should be professionally qualified personnel managers with sound IR experience. Salary around £5,000. Car. Applications to Ken Mawson of Professional and Executive Recruitment—tel. Darlington 52621.

HALF A DOZEN young accountants who view people, not as cost-elements but as stimulating things to work with, are wanted by Jock Worsley of Financial Training Group. The company provides training, by contract to employing concerns, for accountants, stockbrokers, solicitors, and bankers. Newcomers will be trained as tutors in various aspects of accountancy, finance and tax. HQ is in London but could work in Manchester, Jersey, Leeds or Dublin, and briefly in Singapore and suchlike. Start at £4,000-£4,500 if newly qualified, more if a year or two behind in industry or commerce. Applications to managing director Mr. Worsley at 136, Bramley Road, London W10 6SR—telephone 01-960 4421.

LASTLY, three from PER head office (4-5 Grosvenor Place, London, SW1X 7SB—tel. 01-235 7030—apply to named consultant).

Minoo Industrial Group, Iran, wants industrial work study engineer at Tehran plant manufacturing foods, mainly under licence. Responsible to industrial engineering manager. I'm told salary about £4,400 after tax, of which single person's accommodation would take around £1,200. Benefits include home-passage for yearly leave (30 days) Two-to-three year contract. Jim Mycock, extension zero.

U.S. group subsidiary, Fluor (England) wants chief safety engineers aged 40-55 with petrochemicals experience for contracts in Saudi Arabia. Salaries more than £5,000 "all found." Geoff Horobin, ext. 232.

Rochester Instrument Systems in Crayford, Kent, wants sales manager for analogue signal converter and alarm relay instruments. Knowledge of process control industry and sales experience needed. Salary £4,000-£5,000. Mrs. Pat Loyd, ext. 230.

BANKING AND INSURANCE APPOINTMENTS

Jonathan Wren Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

BANK ACCOUNTANT c. £5,000
The London Office of a European bank wishes to fill a senior position in the accounts/administration area. The ideal applicant will be aged 35-45, with a clearing bank background up to appointed level, and preferably a knowledge of Bank of England returns. *Telephone John Byrne (Director)*

ECONOMIST £5,000 upwards
A challenging opportunity has arisen within the Gilt Department of a prominent stockbroking firm, for an ambitious Economist of high ability to join as a Partner's Assistant. Aged 28-38, he should be sales-orientated and able to demonstrate a fundamental economic training in a financial or industrial environment. Of particular importance is the ability to produce work which is of immediate as well as long-term impact. Income will not be less than £5000, and for an outstanding candidate may be considerably higher. *Telephone Kenneth Anderson (Director)*

Jonathan Wren & Co. Ltd., 15 Fish Street Hill, London, EC3R 6BP
Telephone: 01-623 5051

Joint Managing Director

City **Five figure salary**

The growth of a highly respected international merchant bank creates the need for the present managing director to concentrate on specific and widening aspects of the bank's business.

The man sought will have sound experience of developing a broad range of merchant banking activity and enjoy a good reputation in the City and other financial centres.

Write in confidence, quoting reference 4352/F, to: M.J.H. Coney,

Peat, Marwick, Mitchell & Co.,
Management Consultants,
Suite 401, Salisbury House,
Finsbury Circus,
London, EC2M 5UR.

GENERAL APPOINTMENTS

LARGE CONTINENTAL
STEEL TUBE STOCKHOLDER
WITH INTERNATIONAL SALES
requires a

Top Manager

to head linepipe sales operation

Good international connections are essential as is a working knowledge of the German language. Preference will be given to those applicants with experience in Steel Tube Stockholding.

Working conditions, salary, benefits, etc. will be on a level with the best in this industry.

Please apply in first instance, giving brief details of education and career to date, including present salary, to:—MR. P. R. EDWARDS (Consultant on the appointment) c/o Arthur Young McClelland Moores & Co., Moor House.

Please state on outside of the envelope Firms to whom you do not wish your application sent. This will be destroyed unopened.

Senior Deposit Trader

International Consortium Bank seeks experienced Deposit Trader who is unlikely to be under the age of 30. Applicants must be familiar with Euro-currency Market Operations and be known to their counterparts at major European financial institutions.

The Bank's salaries and fringe benefits are widely regarded as among the highest in the City.

Please send applications to Box T4095. Financial Times, 10, Cannon Street, EC4P 4BY.

HOARE & CO. GOVETT LTD.

INSTITUTIONAL SALESMAN
SOUTH AFRICA

Hoare & Co. Govett Ltd. wish to recruit an experienced Institutional Salesman to handle their South African business in London, with special emphasis on investment in mining finance houses and gold stocks. A proven ability to handle such business is a prerequisite. Full mining research back-up is already available. Applications should give career details and state academic and/or professional qualifications. Salary and bonus are subject to negotiation.

Applications, which will be treated in strict confidence, should be addressed to:

The Secretariat,
Hoare & Co. Govett Ltd.,
Atlas House, 1, King Street, London, E.C.2

INTERNATIONAL COMPANY SEEKS A SPECIALIST IN COMMODITIES

Excellent conditions. Please reply to Box F.280, Financial Times, 10, Cannon Street, EC4P 4BY.

SPECIALIST CREDIT Insurance Brokers offer opportunity for male assistant preferably in late 20s. Experience of credit insurance helpful but not essential. Some commercial experience desirable. Initial work mainly in office but after training outside work to be expected. Progressive post with small rapidly expanding company. Please write enclosing CV to Newbridge Creditbrokers Ltd., Roman House, Wood Street, EC2Y 5BP. Reference FAJL.

DOCUMENTATION CLERKS with Shipping or Commodities experience. £3,000-£4,000 p.a. plus. Also trainees. Charterhouse Appointments 01-836 2377.

ASSISTANT ACCOUNTS CONTROLLER FOREIGN BANKING

Young banker required to expedite flow of foreign work of Commercial Banking Dept. Preferably with 3-5 years experience in foreign dept. of clearing bank or accepting house. c £3,250

BLIGH APPTS. 828 6722

A LEADING FIRM OF STOCKBROKERS require a fully experienced bearer settlement clerk. This appointment will carry an attractive competitive salary and in addition there is a non-contributory pension and life assurance scheme. Please write stating details of experience to Box No. E5912, Financial Times, 10, Cannon Street, EC4P 4BY.

STOCKBROKERS. We have many interesting and well paid jobs for people with one or two years minimum experience. Telephone Edna at Dukes Careers. 283 3882.

ASSISTANT F.X. MANAGER. Male 30+ A.I.B. with previous F.X. Admin. Exp. for City Bank. £5,000+. Write Box T4105, Financial Times, 10, Cannon Street, EC4P 4BY.

COMPANY NOTICES

TENDERS FOR GREATER LONDON BILLS

1. The Greater London Council hereby give notice that Tenders will be received at the Chief Cashier's Office, Bank of England, London, EC2R 8AH, on Monday 19th May, 1975, at 12 noon for Greater London Bills to be issued in conformity with the Greater London Council (General Powers) Act, 1967, to the amount of £25,000,000.
2. The Bills will be in amounts of £5,000, £10,000, £25,000, £50,000, £100,000 or £250,000. They will be dated Thursday, 22nd May 1975, and will be due 91 days after date, without days of grace.
3. Each Tender must be for an amount not less than £25,000 and must specify the net amount per cent. (being a multiple of one new halfpenny) which will be given for the amount applied for.
4. Tenders must be made through a London Banker, Discount House or Broker.
5. The Bills will be issued and paid at the Bank of England.
6. Notification will be sent by post on the same day as Tenders are received, to the persons whose Tenders are accepted in whole or in part and payment in full of the amounts due in respect of such accepted Tenders must be made to the Bank of England Loans Office, by means of cash or by draft or cheque drawn on the Bank of England not later than 1.30 p.m. on Thursday, 22nd May, 1975.
7. Tenders must be made on the printed forms which may be obtained either from the Chief Cashier's Office, Bank of England, London, EC2R 8AH or from the Council's Offices at The County Hall.
8. The Greater London Council reserve the right of rejecting any Tenders.

M. F. STONEFROST,
Comptroller of Financial Services.

The County Hall,
London, SE1 7PB.
12th May 1975.

117 GROUP FUND
société anonyme
Registered Office:
LUXEMBOURG 14, rue Aldringen
Registre de Commerce B No. 9216
DIVIDEND ANNOUNCEMENT

The 117 GROUP FUND S.A. will pay a 14 cents U.S. final dividend per share on or after June 16th, 1975 to holders on record at close of business May 5th, 1975. Shares will be traded ex-dividend after May 5th 1975.

The dividend is payable to holders of bearer shares against presentation of coupon number 5 at:
—Banque Générale du Luxembourg, S.A. LUXEMBOURG.
—Midland Bank Limited Overseas Branch LONDON.

The Board of Directors.

HOECHST AKTIENGESELLSCHAFT
Rights Offer to Shareholders

In accordance with the resolution passed at the Annual General Meeting of the Company held on 8th July, 1974 the Board of Management has announced an increase of the share capital to DM. 1.778.919.000 by the creation of new bearer shares of DM. 162.900.000 nominal value. A banking consortium has subscribed for DM. 162.816.600 nominal of such new shares and is offering them, at a price of DM 90 per share of DM. 50 nominal each, to the Company's shareholders and holders of its 6½% Convertible Loan Stocks of 1967 and 1970 and 8½% Convertible Loan Stock of 1975, on the following basis:—

(A) One new share of DM. 50 for every 12 shares of DM. 50 nominal.
(B) Seven new shares of DM. 50 for every DM. 12.000 nominal of 6½% Loan Stock of 1967.
(C) One new share of DM. 50 for every DM. 1.800 nominal of 6½% Loan Stock of 1970.
(D) One new share of DM. 50 for every DM. 1.200 nominal of 8½% Loan Stock of 1975.

The new shares, which rank for one half of the dividend for the financial year ending 31st December, 1975, are being offered on the terms of the Company's announcement dated 9th May, 1975. Copies of this announcement, with an English translation thereof, are available on request at the office of the London Paying Agent, S. G. Warburg & Co. Ltd. Application for admission of the new shares to the Official List will be made to the Council of The Stock Exchange.

LONDON DEPOSIT CERTIFICATES

In accordance with the terms of the Certificates, S. G. Warburg & Co. Ltd. as Depositary will upon the request of holders exercise the rights attached to the deposited shares. In the absence of such requests, the Depositary will dispose of the rights appertaining to the underlying deposited shares and will distribute the net proceeds to the holders of Certificates in proportion to their holdings.

S. G. Warburg & Co. Ltd. will also upon request of holders exercise the rights attached to the Company's 6½% Convertible Loan Stocks of 1967 and 1970 and 8½% Convertible Loan Stock of 1975.

PROCEDURE IN THE UNITED KINGDOM

Authorised Depositaries in the United Kingdom wishing to take up rights must lodge the following:

London Deposit Certificates for marking —	Square No. 24
Bearer Share Certificates —	Coupon No. 34
6½% Convertible Loan Stock of 1967 —	Warrant "C"
6½% Convertible Loan Stock of 1970 —	Warrant "B"
8½% Convertible Loan Stock of 1975 —	See below

and apply during the subscription period from 15th May, 1975 to 23rd May, 1975 inclusive at the office of the London Paying Agent:—

S. G. WARBURG & CO. LTD.,
Coupon Department,
St. Albans House,
Goldsmith Street,
London, EC2P 2DL

between 10.0 a.m. and 5.0 p.m. where lodgement forms are obtainable.

As Stock Certificates for the 8½% Convertible Loan Stock of 1975 are not expected to be made available until late June 1975, the London Paying Agent will arrange, subject to application, for any rights entitlement to be utilised in accordance with instructions.

Payment must be made in full by 30th June, 1975. Payment by United Kingdom residents must be made in investment currency. Temporary Receipts will be issued thereafter.

Authorised Depositaries wishing to make payment in Sterling should agree the applicable rate of exchange with the London Paying Agent.

Authorised Depositaries will be advised at a later date when the new Share Certificates are available to be exchanged for Temporary Receipts.

S. G. WARBURG & CO. LTD.
London Paying Agent and Depositary

12th May, 1975.

CONTRACTS AND TENDERS

GOVERNMENT OF TRINIDAD & TOBAGO

MINISTRY OF WORKS

Trinidad and Tobago World Bank Population Project

Prequalification of suppliers and/or manufacturers of Furniture and Equipment for

(1) Mount Hope Maternity Hospital (100 bed)
(2) Nurses training school, Port of Spain (500 place)
(3) Community Health Training Centre, Arima
(4) Family Planning Institute, Port of Spain

1. The Government of Trinidad & Tobago invites applications from manufacturers and/or suppliers wishing to prequalify for inclusion in a list of contractors who will in due course be invited to tender for the supply and delivery of medical equipment and supplies, furniture (office, teaching and residential), kitchen equipment and all other supplies, furniture and equipment necessary for the complete equipping of the above listed institutions which will be constructed in Trinidad and Tobago between 1st February, 1975, and December 1977.

2. Further information and "Prequalification Questionnaires" may be obtained from the Director, Trinidad and Tobago Project Unit (IADB/IBRD), 15 Stanmore Avenue, Port of Spain, Trinidad, W.I. Tel. Nos.: 62-54857 and 62-54012. Cable Address: IMPRO. Firms wishing to prequalify should apply for questionnaires on or before 14th June, 1975.

C. E. POLO
Director of Contracts

INVITATION TO TENDERERS

Ente Nazionale Energia Elettricka of Mogadiscio, Somali Democratic Republic will shortly be inviting tenders for the supply and erection of electrical equipment for the expansion of their Generation and Distribution System. The equipment includes three 15kV switchboards, medium voltage switchboards, transformers and the high voltage and medium voltage cabling for a 20 MW diesel power station.

The equipment is to be provided as part of a project which is being funded by a loan by the Kuwait Fund for Arab Economic Development. Any tenderer interested in building should apply quoting reference 7506 to Ewbank and Partners at the address given below for a synopsis of the specification.

Ewbank and Partners Ltd.,
Prudential House,
North Street,
Brighton,
Sussex BN1 1RW
United Kingdom

Tyne and Wear Passenger Transport Executive
Tyne and Wear Metro

TENDERING
BRIDGE N.106—RIVER TYNE

The Tyne and Wear Passenger Transport Executive propose to construct a bridge to carry the Metro across the River Tyne between Newcastle and Gateshead. The bridge is located about 200m downstream from the King Edward Bridge and consists of a three-span continuous steel truss supported on reinforced concrete piers founded in the river bed. The end abutment on the Gateshead side is to be anchord to the rock, while the pier and the abutment at the Newcastle side are to be piled. The superstructure contains some 3800 tonnes of structural steelwork.

The contract is due to go to tender in September 1975 and work is expected to commence early in 1976. The project will be let as one Contract with either the steelwork contractor or the civil engineering contractor as Main Contractor taking overall responsibility and the other acting as sub-contractor.

Contractors of national standing who are experienced in contracts of this magnitude and who are interested in pre-qualification should write before 31st May, 1975 to:—

The Secretary,
Tyne and Wear Passenger Transport Executive,
Cuthbert House, All Saints,
NEWCASTLE UPON TYNE, NE1 2DA,

giving details of the organisation and details of similar work carried out in last 10 years, or still in progress, stating construction time and (estimated) date of completion together with contract cost.

Envelopes should be clearly marked "Contract Pre-qualification—Bridge N.106."

Any further information on the proposed bridge can be obtained from W. A. Fairhurst and Partners (Northern), Cragside House, Heaton Road, Newcastle Upon Tyne, NE6 1SN.

LEMBAGA LETRIK NEGARA TANAH MELAYU

National Electricity Board of the States of Malaya

TEMENGOR HYDRO-ELECTRIC PROJECT
Upper Perak River, Malaysia

HYDRAULIC, MECHANICAL & ELECTRICAL EQUIPMENT

TENDERS

Tenders are invited from manufacturers for the following contracts:

Contract No. 5067/13—"Gantry Cranes"

Comprising the supply, delivery and supervision of erection of:

i) One power intake gantry crane for intermittent service; span 27 feet. Main hook rating: 110 short tons.
ii) One draft tube mobile gantry crane, rating: 15 short tons.

Document Issue—About June 1, 1975
Tender Due—About August 15, 1975

Contract No. 5067/14—"Draft Tube Gates and Pier Nosings"

Comprising the supply, delivery and supervision of erection of:

i) Two draft tube closure bulkhead type slide gates with upstream seals and attachments for rope hoisting for a clear opening of 18 feet by 12.5 feet, with 60 feet hydrostatic head over the sill, together with embedded parts for eight openings.
ii) Steel nosings for three draft tube splitter piers.

Document Issue—About June 15, 1975
Tender Due—About September 1, 1975

Contract 5067/15—"Structural Steel"

Comprising the supply and delivery of:
Structural steel framing for a power station 220 feet by 60 feet by 50 feet, plus administration and service wings. Approximate weight: 300 short tons.

Document Issue—About August 1, 1975
Tender Due—About October 15, 1975

Tenderers shall be manufacturers or consortia of manufacturers of the items described above and should have had previous experience in the design and manufacture of equipment having the characteristics described.

Full details of manufacturers' experience and their technical and financial competence must be forwarded with their application to:

Project Manager
Temengor Hydro-Electric Project
The Shawinigan Engineering Company Limited
P.O. Box 3010, Station B
Montreal, Quebec, CANADA H3B 3L7

With a copy to:

Project Engineer
Temengor Hydro-Electric Project
Hydro Electric Division
4th Floor, National Electricity Board
P.O. Box 1003, Kuala Lumpur, Malaysia

Tender documents will be issued by:

Project Manager
Temengor Hydro-Electric Project
The Shawinigan Engineering Company Limited
P.O. Box 3010, Station B
Montreal, Quebec, CANADA H3B 3L7

on payment of a documentation fee of US$250, international bank draft or money order, payable to LEMBAGA LETRIK NEGARA TANAH MELAYU in the case of each contract for which tender documents are requested.

Tenders shall be delivered at the head office of LEMBAGA LETRIK NEGARA TANAH MELAYU, P.O. Box 1003, Kuala Lumpur, Malaysia on the dates indicated for each contract in the schedule above, but the exact date and place for submission of tenders will be specified in the tender documents.

LEMBAGA LETRIK NEGARA is not bound to accept any application or to accept the loweste or any Tender. LEMBAGA LETRIK NEGARA is not liable for costs incurred by tenderers in preparing tenders.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● TEXTILES

Joining long runs of carpet

A NEW process which makes it possible to attach carpets to solid floors without the need to drill holes for screws has been developed by Crossley Carpets of Halifax, part of Carpets International.

It is an extension of the Silvaseam electrical joining process pioneered by Crossley and Evode of Stafford, which has already taken much of the difficulty out of carpet seaming and at the same time boosted the market in contract areas for custom-made narrow loom carpeting.

The basic Silvaseam system uses a 2 inches wide aluminium tape impregnated with an adhesive which is melted by an electric current. The current is passed through the tape ends from a 3 kW transformer. Lengths of up to 10 metres can be activated with complete uniformity in one four minute electrical cycle.

Considerable savings, Crossley claims, are possible over conventional means of joining carpets such as hand sewing or the immediate predecessor of electrical seaming—adhesive seaming using a hot iron. As well as being simple to operate, the system also leaves the carpet layer with his hands free to concentrate on perfect matching.

Conventional

In addition it eliminates the irregularities of coverage which can occur when ironing a conventional thermoplastic tape is employed, and the process has the further advantage of being reversible so that mistakes can be rectified.

The new development, Silvaseam TG tape, uses a double sided adhesive tape to stick tackless gripper—the nailed wooden strip used to fit woven carpets—to various types of floor surface. Alternatively the double sided tape can be used to attach a foam backed carpet directly to flooring. Running lengths of up to 20 metres of the 1-inch tape can be fixed using the process.

When used with tackless gripper the system eliminates the need to drill and plug solid floors to screw down the gripper and makes it possible to lay carpet on concrete or other very hard surfaces, without the use of possibly messy commercial adhesives which may take time to set.

Crossley claims that with Silvaseam TG tape, carpets can be hooked on to the gripper within minutes of their being fixed to the floor, such is the strength of the bond. Other uses for the system are envisaged including the fixing of timber battens to walls and ceilings, or the fixing of grippers to steel surfaces, as for example in ships.

RHYS DAVID

Simple test stops ruin of garment

TWENTY FIVE per cent. failure rate on production of blouses for a multiple store, experienced by a manufacturer, started a chain of research at Leeds University which has resulted in the production of a simple and practical instrument for testing "sewability" of fabrics when ordering, and before making up.

The research revealed that the frictional qualities of fabrics determined success in making up.

The recalcitrant fabric in this instance was tamed by re-finishing to restore lubricants and replace the natural oils which had been scoured out by solvents in dry cleaning.

The ease with which a sewing needle can penetrate a fabric, and therefore its sewability, is dependent upon the ease with which yarns and fibres can move across one another to allow for the distortion in the fabric structure as the needle pushes through.

Frictional characteristics of fabrics are particularly influenced by methods of dyeing and finishing. The increasing use of solvent scouring, rather than emulsion scouring, removing friction-reducing natural oils as well as dirt, and the density of colour are fabric structure and sewing conditions governed by needle size and profile.

Technical facilities at the University helped evolve a simple and compact "L and M Sewability Tester" which gives measured readings of the penetrating needle force value, in small fabric samples, at the rate of 100 penetrations a minute.

Reproducible

The device gives a standard reproducible sewability test which is not subject to variations of sewing conditions or operator skill and suppliers can now ensure that their fabrics come up to standard by applying inexpensive remedial processes in finishing where necessary. Clothing manufacturers can make sure before they start production that the cloth will give satisfactory performance, and is comparable to its original sample.

Miss Carol Leeming, Textile Department, University of Leeds, Leeds LS2 9JT. Leeds (0532) 31751 extension 6022.

Sealed Global tenders are invited on behalf of the President of India for supply of the following Equipments:

13 GHz DIGITAL RELAY EQUIPMENT—2 Nos.

The cost of the Equipment will be financed from the 8th IDA Credit 403-IN and the relevant conditions for procurement against this IDA Credit will apply. Intending tenderers may obtain copy of the Invitation to Tender along with relevant specification from the Asst. Director General (Imports), Room No. 514, P&T Directorate New Delhi (India) quoting Tender No. 12-121/73-MMD dated 18.4.75 on payment of £1.06 (non-refundable) by means of a crossed Postal Order (encashable at Parliament Street Post Office, New Delhi) or a crossed Demand Draft on any scheduled Bank in New Delhi, drawn in favour of the Section Officer (C&A) Office of D.G.P.&T. New Delhi-110001.

Due and opening dates of the tender are July 8 16.00 hrs and 11.30 hrs on July 9, 1975, respectively.

● METALWORKING

Protects foundry machines

AUTOMATIC safety guards for foundry moulding machines to H.M. Inspectorate requirements but which do not cause production loss, are being marketed by Newman Industrial Sales, Stonehouse, Glos. (045 382 3771).

Under the new regulations efficient guarding of jolt-squeeze machines using manual guards can show a floor-to-floor loss time of over 30 per cent., says the company. But its automatic guard is "slaved" into a machine's existing pneumatic or hydraulic system, and has fail-safe features.

It can be fixed by a customer's own maintenance staff; usually only four fixing bolts and some coupling to the pressure lines are required.

Precision milling

A FIXED bed milling machine stated to be capable of precision work, especially on heavy and difficult components, has been introduced by E. H. Jones (Machine Tools), 19 New Road, Brighton, Sussex BN1 1WE (0273 21953), a division of Kearney and Trecker Marwin.

Column and bed are of meehanite cast iron. Longitudinal table traverse is 7 ft. 6 in., cross travel of head ram is 30 in. and vertical travel is 36½ in. —all these movements are stated to be accurate to a tolerance of 0.0008 inch. The table, which is 98½ by 23½ inches has an overall flatness within 0.0012 inch.

A 15 hp motor provides spindle speeds of 25 to 2000 rpm, and feed rates are variable from 0.04 to 31½ in./min. The full universal head (double swivel) has an ISO 50 spindle nose. Known as the Ax-E-Max, the machine is made in Europe.

● NAVIGATION

Accurate to two miles

THIRD GENERATION Omega navigation equipment made by Tracor Instruments, of Austin, Texas, is available in the U.K. from Racal Instruments, Duke Street, Windsor, Berks SL4 1SB (Windsor 69811).

Omega Navigator II provides for automatic synchronisation and multiple tracking of all Omega transmitters, and up to 28 lines of position settings may be made, enabling the ship's position to be plotted with a mid-ocean accuracy of plus or minus two miles at night. The lines of position can be displayed with 12 hours of sailing history always available.

Capable of all-weather reception, the equipment is simple to operate and uses CMOS semiconductors for high reliability. A standby battery power supply is fitted as standard to ensure uninterrupted operation.

Several options are available, including a computer with appropriate interface and software which provide automatic latitude and longitude conversions, time and distance to waypoint, skywave corrections and dead reckoning.

● PERIPHERALS

Wand reads characters

SENOSA, British manufacturer of portable computer terminals, is planning the addition of a new facility to its Directdata 16 portable data capture terminal. It is believed to be the first time that such a facility has been considered in source data capture equipment.

The new equipment is Recognition Equipment's "OCR Wand" which reads conventional OCR print from typewriters, computer line printers, encoding devices, offset presses, and retail price marking equipment. In other words, it reads what humans read and does not require special devices such as bar codes or magnetic coding.

Attached to the Directdata 16, the wand should provide users of the Senosa device with still more power to collect data at source quickly and economically.

Directdata 16 is no bigger than a shoulder bag and weighs only 3.5 kilograms. It records data entered by a hand-held keyboard or wand on a cassette and can transmit the recorded data over an ordinary telephone line directly into a computer.

Several manufacturers have announced their intention of attaching the OCR wand to point-of-sale systems, but Senosa is believed to be the first to consider using the wand on portable data capture equipment.

So far OCR A is read, with B to be added later this year. There are a certain number of constraints on the way in which the wand is used, for instance skew must be less than 8 per cent.

Nevertheless this is a considerable technical achievement which must cause users of light pens and magnetic stripe readers to think very hard.

Senosa, Cores End Road, Bourne End, Bucks. Boune End (06285) 26083-4.

● COMPONENTS

Changes the face of tuning

COMPLEXITY and consequent cost of digitally displaying the tuned station in television and radio receivers have been reduced by the General Instrument introduction of a single integrated circuit for each which consolidates several of the circuits previously needed on to one chip.

The development means that remote controlled digitally displayed channel changing will become more common in TV sets and, somewhat more dramatic from the user's point of view, the illuminated tuning scale with moving pointer so familiar in radio sets is likely to be replaced by a simple digital frequency and channel number display.

The TV chip is unusual in allowing the channel number to be shown on the crt itself, the characters appearing in colour, or white on a black background some 50 lines down from the top right hand corner of the picture, 35 lines high. They remain for several seconds after a new channel has been selected and, by using an associated clock microcircuit the time of day can be displayed when the channel characters are off.

The TV circuit, AY-5-8300, has been developed by the company's Glenrothes unit in Scotland and will sell initially at £6.50 in 100 up quantities, expected to reduce to £2.50 in 10,000 lots as production gets under way.

The radio circuit is aimed at the quality receiver and tuner market. Called AY-5-8100, it is a 28 lead MOS device and apart from allowing precise tuning (to within a few kHz) allows a five digit display to be placed by the designer anywhere on the front panel, widening the stylistic scope.

A channel number as well as frequency display is also available for use in the vhf fm band: in the 87 to 117 MHz band the number of any of a hundred 300 kHz wide channels is shown with a plus or minus sign permitting exact tuning of the station to the centre frequency.

The circuit has sufficient voltage output to drive both the digit and segment lines of a fluorescent display and if required can directly drive a liquid crystal array. Inputs and outputs are TTL compatible for easy connection to the necessary pre-scaler, and other external circuits. Initial quantity prices, in the hundreds, will be about £16. The company is at 57, Mortimer Street, London, W1N 7TD (01-636 2022).

● PROCESSES

Seals pores in metal

LOCTITE vacuum-impregnation is now being installed as part of companies' production lines. The first such facility is in operaton at the Stevenage factory of Taylor Instrument Companies (Europe), where it is a major element in the manufacture of a new generation of pneumatic instruments.

Vacuum-impregnation seals porous metal components. Loctite low viscosity anaerobic sealant is drawn by vacuum into process porosities where, deprived of air, it automatically solidifies. The job takes 20 minutes and the application is primarily for treating castings and sintered components.

Impregnation at Taylor Instruments is to obtain an extremely high standard of sealing in a new range of pneumatic instruments—the Quick-Scan 1400 range, used where there is a fire risk.

The pneumatic circuitry has to be virtually leak-proof. In particular this applies to the logic unit in which the maximum leakage allowed is 0.0002 scf/min. at a test pressure of 30 psi. This test can only be carried out when the instrument has been fully assembled and, should leakage be above the maximum, it is more economic to scrap the complete assembly than to undertake rectification. Reliability in eliminating casting porosity is therefore essential.

Loctite (Douglas Kane Group), Welwyn Garden City, Herts. Welwyn Garden 21261.

● TRANSPORT

Frameless bodies hold cold

INSULATED VERSIONS of the Strongbox laminate-wall van bodies have been introduced by H. Tidd and Son, Marston Road, St. Neots, Cambs. (0480 74741). They are called Icebox. Good thermal efficiency is claimed because there are no metal frame members and no metal panels.

Inside and out the walls are one piece seamless panels of laminated reinforced plastics bonded to plywood. The panels are 12mm. thick and are spaced one to five inches apart. The gap is filled with polyurethane foam. The panels are stated to be so strong that no intermediate framing is needed.

Structure joints are made along the edges of the outer panels, and edge-to-edge joints are made with aluminium extrusions. The heat-leakage factor with 4-inch thick insulation is 0.0438 Btu/hr/sq.ft./deg.F temperature difference between inside and outside.

A range of types and sizes is available, including van and truck bodies and chassisless trailers—a 40-ft. semi-trailer would weigh about 6.8 tons.

● BUILDING TECHNOLOGY

Back in use in an hour

QUICK CURE epoxy floor repair kit, which enables damaged areas of concrete in factories, garages, warehouses, etc., to be patched up and put back into full use within an hour, is available from Lamacrest, Crown Works, Cold Bath Road, Harrogate (Harrogate 66656).

Such is the speed of curing that the mix is hard within 40 minutes at 22 degrees C (70 degrees F). This time can be cut to 15 to 20 minutes if gentle heat is used. The repaired floor can actually be driven over by industrial trucks without damage within an hour.

Extensive repairs to damaged floors, groutings, etc., in the busiest of work areas can be carried out by maintenance staff overnight or, if necessary, repairs to specific areas can actually be completed within a lunch break.

The Lamacrest material possesses massive powers of adhesion and a compressive strength of 53,000 kN/m². It is easy to prepare and apply, base resin and solidifier being mixed together in a ratio of 2:1, along with a pre-determined quantity of dried and graded multi-component aggregate. However, it must be applied speedily as pot life is only 5-10 minutes.

Makes more use of diamond

MAXI diamond casing shoes and shells are designed for use in difficult overburden conditions such as sand, gravel, boulders, and all abrasive conditions. They are manufactured by an infiltration process using a mixture of diamond and carbide in a matrix which will withstand severe usage, and ensure maximum utilisation of the diamonds.

The new range has been developed and proven in Canada to replace the standard impregnated or surface set units. The design incorporates multiple waterways for better flushing, which allows the matrix to wear uniformly and maintain maximum cutting exposure.

Maxi shoes are available in all Canadian and U.S., and British Standard, sizes, as well as in metric dimension, to fit casings up to the largest size in normal use.

The matching range of casing shells is manufactured by a similar process, and incorporates multiple wear pads which provide full 360 degree wall contact and reduce vibration to a minimum.

Low initial cost of Maxi shoes and shells cuts the investment involved in a drilling programme, and holds down overall inventory costs. Site organisation is simplified, since a worn out unit can quite literally be thrown away, instead of having to be kept for return to the manufacturers for resetting. The costly diamond content is used to best effect, resulting in lower total cost per foot drilled.

Landay Drilling Supplies, 51, Thames Street, Sunbury-on-Thames, Middx. Sunbury 89668.

Stronger grouting

EPOXY-based grouting material, with numerous applications in the building and civil engineering industries, developed by Sealocrete Group Sales, is for bridge bearing pads, stressing wires, tie bars and railings. The material is also ideal for the fixing of holding bolts and bearing pads when installing heavy machinery.

Epoxy Anchorgrout, under normal conditions has at least three times the compressive strength of cement grouts, and four times the tensile strength. Unlike cement compositions, it bonds strongly to clean steel as well as to the substrate, and also has excellent resistance to chemicals and oils.

The material is shrink-free when curing at room temperature and also has the ability to withstand vibration.

Although it is a sand-filled free-flowing material, Anchorgrout is completely homogeneous when cured, and exhibits no settlement of the sand. This ensures that there is no hard-packed bottom layer which might impede the passage of dowel bars or bolts.

Supplied as standard as a three-pack material in five-litre quantities, Anchorgrout has a pot life of 30 to 45 minutes after mixing of the constituent parts. Initial cure is completed within six to 12 hours of application, and final cure within five to seven days.

Sealocrete Group Sales, Atlantic Works, Oakley Road, Southampton, S09 4FL. Southampton (0703) 777331.

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mixture of graphite and car
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edges to supply the electr
resistance heating current.
most applications (up to 80
C.) this heating element
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polyester film. Other insula
films are available for temp
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The material is supplied
sheets or rolls up to one m
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is made under licence in the
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flex heating by two men in
two days at a cost of about
Low running costs
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30 per cent. can be achi
Room design is simplifie
there are no flues, ducts,
or radiators to be consider

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Phenols, which were used f
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or flame and creates
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range is from minus 196
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High closed-cell content
it resistance to hydrophilic
down — it absorbs 6 to
cent. water by volume aft
immersion for one mont
it has low water vapou
meability.

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Purchase and Sale of Reconditioned Rolling Mills, Wire Drawing Plants. Levelling, Slitting and Coil Processing Equipment.	P.O.A.	021-556 09
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Oerlikon open fronted single sp Auto Cap 23½". Model F60 1967. Excellent.	£10,250 + VAT	0234 7405
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مكتبة الأصل

صورة عن الأصل

Building and Civil Engineering

Halcrow in £40m. Dubai housing

THE RULER of Dubai, Sheik Rashid Bin Saeed al-Maktum, has appointed Sir William Halcrow and Partners to design and supervise the construction of a large number of flats, villas, offices and shops to develop property owned by his family in Deira, a new town-quarter separated from the old town by Dubai Creek. Details of the appointment were settled last week, when the Ruler approved plans submitted to him by Mr. Edward Mansfield, the architectural partner of the firm.

In all, six Deira sites are to be developed as part of this vast project, estimated to be worth £35m. in all. Two of the sites will have built on them six 11-storey blocks, while the remaining four will have on them six 8-storey buildings, all air-conditioned; the ground and mezzanine floors will be occupied by shops, and the higher blocks will house offices on the next two floors.

Total development of all six sites will provide 406 air-conditioned two- and three-roomed flats, 12 penthouses, 44,000 square feet of shop (each with its own mezzanine floor), and 47,000 square feet of offices.

Parking for 520 cars for the use of residents and offices is to form an integral part of the project; ample provision is also to be made for casual parking places outside the buildings. The approved plans foresee detailed landscaping for all six sites.

The project has been programmed to go to tender in the autumn of this year, and it is proposed that construction work should commence simultaneously on all sites and, using a number of different contractors, should be completed during 1977.

While visiting Dubai, Mr. Mansfield was additionally commissioned by Sheik Rashid to design and supervise the construction of 250 houses and relevant infrastructures in Jumairah, a rapidly developing residential suburb of Dubai. Here the requirement is for spacious villas, all air-conditioned, varying in size from two to four bedrooms, with bathrooms en-suite, and with servants' quarters, covering a total floor area of 714,800 square feet, on villa plots varying in size between 10,000 and 12,000 square feet each.

Sheik Hamdam, the Ruler's son, has also appointed Sir William Halcrow and Partners to design and supervise the construction of six luxury houses on yet another site. These houses are to be fully air-conditioned, and to have four bedrooms, four reception rooms, a dining room, the usual offices, servants quarters and large garages. The total floor area of each house is to be 5,000 square feet, with optional swimming pool, and set in substantial gardens.

This contract and the one in Jumairah will take the total value of new housing in Dubai to be tendered for to over the £40m. mark.

The future of glass

FUTURE of glass in building and how this future is affected by the growing need to conserve energy is the theme of an international conference to be held in Belgium later this year.

The conference "Glass in the City of Tomorrow" is to be held on September 26-27 at Knokke on the Belgian coast and is organised by Glass in Building, the scientific association set up by the seven leading European flat glass manufacturers.

Further information from Pilkington on St. Helens (0744) 28882.

Wimpey wins £8m.

CITY OF Birmingham District Council has awarded a contract to George Wimpey and Company, for 226 homes to be built at Hawkesley, North Worcestershire valued at £2.3m. Mainly in Wimpey No-Fines technique, the plan calls for 183 two storey houses, 18 three storey houses and 25 brick built bungalows.

Luton regional office of Wimpey has negotiated a contract with the City and District of St. Albans for the construction of 54 No-Fines flats and 82 No-Fines two storey houses. Valued at £1.3m, the contract includes garages, external works, and roads and sewers. This is the third contract awarded to George Wimpey and Company at Wheathampstead and brings the total of No-Fines housing units built in that area to 317.

Bexley has awarded a contract worth more than £1m. for the construction of 82 homes at Foots Cray, Kent, to Wimpey. Foots Cray Phase II project comprises three-storey flats and maisonettes in a mixture of types, the majority having access at deck level with garages sited underneath at ground level.

Additional to these housing contracts Wimpey has secured the major job of building the new £3.5m. Bishopsgate headquarters for Antony Gibbs Holdings.

The building will comprise three basements and eight upper floors in reinforced concrete construction, with polished Finnish granite external cladding and high quality internal finishings. Work is due for completion by July, 1977. The architect is Sidney Kaye, Firmin and Partners and consulting engineers Zukas Magasiner Green.

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IN BRIEF

- A negotiated contract valued at £114,000 has been awarded to Frederick Coyle and Co., a member of the (Lawrence Group) for additions to the Ickenham Centre, Ickenham. The contract was placed by the London Borough of Hillingdon and completion is due in January 1976.

- A. F. Budge (Contractors) of Retford has invested approximately £1,100,000 in new earth-moving plant. This consists of three Caterpillar 627s, two 623s, nine 631s and ancillary equipment. One of its latest open-cast contracts is for Clares Lane, Telford, Shropshire, where Budge is to extract 375,000 tons of coal on behalf of the NCB opencast Executive Central (West) Region. There is a total volume of 5.5m. cubic metres of over-burden to move, and the contract will last two years.

- HADEN Young has been awarded a £1.1m. mechanical and electrical services contract covering the construction of Camden Town Hall extension. Haden Young's responsibilities cover all mechanical (£800,000) and electrical (£300,000) services and the extension is scheduled for completion in August, 1976.

Kellogg's £3.2m. factory plan

LEONARD Fairclough, Fram Gerrard division will design a £3.2m. new cereal manufacturing factory to be built at Wrexham for the Kellogg Company of Great Britain.

The project consists of a 900 feet by 210 feet building containing the production process, packaging and warehouse functions and 20 single and four dual purpose storage silos serving the production area. The self-contained complex also includes a 300 feet by 60 feet office block and boiler house, weighbridge and sub-station.

All associated site works and landscaping will be included in the main contract.

Fairclough is also to extend sewage works at Huntingdon and Godmanchester for the Anglian Water Authority under a £1,668,103 contract.

At Hillingdon transfer station work for the GLC is worth £131,565.

£2.7m. work for Rush & Tompkins

COMPANIES in the Rush and Tompkins Group have recently pulled in contracts to a grand total of £2,772,000. Of the total figure £1,223,000 was obtained by Rush and Tompkins, the main construction subsidiary; £970,000 by Rush and Tompkins, Scotland; £401,000 by Task Construction, and £178,000 by J. T. Parsons.

The first group included a telephone exchange extension in Woolwich for DOE, a cake mix building for Van den Bergh and Jurgens at Purfleet, and 15 shops plus nine maisonettes for the Borough of Camden, in Highgate.

The Scottish contract is for DOE and covers a new telephone exchange for Ayr.

The remaining jobs are variously a Billingham amenity and workshop project for ICI, a day centre for the Cleveland County Council and 25 flats in Kingsway, Bristol—all below the £200,000 mark.

Hospital is ready early

A 120-BED extension to Hartwoodhill Hospital, Shotts, Lanarkshire, has been completed a month ahead of schedule. This £512,000 psycho-geriatric unit was built by the Bovis Scottish construction company, Gilbert Ash, Scotland.

Client and architect is Scottish Health Service Common Services Agency. Quantity surveyor is John Dansken and Purdie and consulting engineers (civil and structural), Vivian Rossi and Associates.

Bovis is to extend the G. J. Keddie and Sons department store at High Street, Southend-on-Sea, Essex. The work is valued at approximately £150,000 and involves the infilling of Leather Lane, to connect two existing ground floor sales areas.

Aims tunnel within a millimetre

CLAIMED TO be the most advanced in the field is a tunnel guidance system designed and made by ZED Instruments, 76, Crown Road, Twickenham TW1 3ET (01-891 1221).

It displays, both to the operative underground and the engineer on the surface, the position and attitude of tunnelling shields of any size. While enabling staff to keep the tunnel accurately aligned, the equipment, which is stated to be robust and sealed for life, can provide a permanent record of progress for costing and quantity measuring.

Mounted on the shield, the position sensing unit uses electro-optical elements to check position and attitude. A laser beam is used as a datum line, but the unit is insensitive to the usual fluctuations of intensity and beam size. The unit seeks the centre of the beam, which is projected parallel to the axis of the tunnel, but can be sited near the wall, as is the unit, to keep it clear of the working area.

Accuracy is claimed to be within one millimetre, and the unit is said to be unaffected by electric "noise," dust, ambient light, temperature, or the vigorous vibrations experienced in tunnelling. Its immunity to vibrations is achieved by taking 300 readings per second, then displaying the average for two seconds.

Three jobs to Townson

LIVERPOOL Corporation provides the plum contract worth £953,000 in a group of awards announced by William Townson and Son and adding up to £1,578,000. It is for 82 homes at Radcliffe Street, the architect being Bradshaw, Rouse and Harker.

Second largest job, worth £437,000 is for the Salvation Army and for a men's hostel in Manchester designed by Leach, Rhodes and Walker.

For the Norwest RAFA Housing Association Preston, £188,000 is being spent to provide sheltered accommodation for ex-RAF personnel in Bolton. The architect is J. Morton Entwistle.

Townson has also won a group of six smaller jobs adding up to £99,392 and very largely associated with the provision of laboratory and/or hospital facilities.

Malaysia House refurbished

THREE divisions of the Wiltshier group of companies have combined forces to tackle the demolition, reconstruction and fitting-out work required on Malaysia House, Trafalgar Square, in a contract valued at £261,337.

In detail the main contractors Wiltshier Construction will be involved in extensive demolition and reconstruction of the existing fifth floor of Malaysia House, and the stripping out of existing partitions, finishings and fittings from the basement to the fourth floor, and providing a cinema and lecture hall in the basement.

Wiltshier's Engineering Services and Shopfitting Divisions will be responsible for new finishings and fittings, renewing the electrical and heating systems and providing partial air-conditioning throughout the building.

This contract is for the Government of Malaysia, with architects Pentagram Design Partnership.

Work has begun on a new Tesco supermarket in the Edgware Road by Wiltshier Construction in a £394,444 contract that will take 48 weeks to complete and provide a 1,200 metre selling area.

Architects are Inskip and Wilczynski.

Two jobs go to Mears

IRVINE Development Corporation, Ayrshire, has placed a £446,617 contract with Mears Construction to build a steel-framed, single-storey basic advance factory block of 6,968m.² (75,000 square feet) floor area; divisible into six factory "Tenancy" units.

Phase 1A of the North Newmoor Advance Factories Development project on the industrial estate 1½ miles south-east of Irvine, it includes, within the basic factory block, provisionally, the construction of three brick "Tenancy" division walls and brick internal superstructure for three office/toilet areas, all built off the concrete floor slab.

Mears also has a contract valued at approximately £90,000 for service work on the island of St. Kilda, Outer Hebrides.

Awarded by the Property Services Agency for the Department of Environment, this is the third contract of its type to be placed with Mears for work on the island and is scheduled to last for 12 months.

More houses for Glasgow

HARDSTOCK (Scotland) has been awarded a contract worth over £2.8m. to build 228 dwellings for the Burgh of Port Glasgow. This contract forms Phase II of the Burgh's mid-Auchenleck development.

The new development will consist of either flats or cottage-style properties and work will start during July of this year. In addition, Hardstock will be responsible for garages, car ports, roads and services as part of the contract, which is expected to take nearly three years to complete.

Hardstock is a member of the Babcock and Wilcox group.

Hoists for a drydock

TWENTY HOISTS, each with a capacity of 240 tons, have been supplied by Clarke Chapman's Marine and Transporter Division for a new Syncrolift drydocking system taking shape at Port Rashid (Dubai) on the Arabian Gulf. The hoists are to the order of Pearlson Engineering Company, of Miami, developers of the specialised method which enables ships to be lifted from the water for repair and maintenance.

A Syncrolift platform is raised and lowered by electrically-controlled hoists. Docking procedure involves lowering the platform to a pre-determined depth under water so that the vessel can be floated over it. The platform is then raised, lifting the vessel clear of the surface to achieve complete drydock facilities. The Dubai platform, measuring over 30 metres long by 19 metres wide, will initially be used to launch concrete caissons required for the construction of drydock facilities for very large tankers.

Each of the Clarke Chapman hoists is capable of a direct pull from the winch barrel of 70,300 pounds, increased by an eight-part rope system in the lifting tackle to 240 long tons. Equipped with pawl and rack each hoist can sustain the load of 70,300 pounds at the barrel. Machined grooves allow each barrel to accommodate 134 metres of rope in a single layer.

- W. C. Hilton and Sons has been awarded a contract for the construction of 38 houses for Lewes District Council, for approximately £336,000. The site is at Landport Farm Estate, Lewes, Sussex.

The Flixborough Disaster

HMSO wishes to announce that the report of the Court of Enquiry will be published on Monday, 12 May at 3.30 pm price £2.50. Copies will be available at that time from the following:

Albert Gait Ltd, 47 Friargate Centre, Grimsby

A Brown and Sons, 24 George Street, Hull

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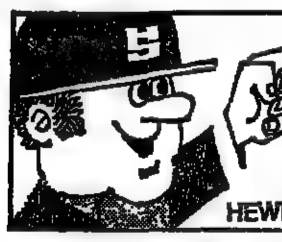

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European architects' code

By H. A. N. BROCKMAN, Architecture Correspondent

THREE THINGS are of principal concern for British architects working in the Common Market. First is the matter of qualification, on which point the differing standards throughout Europe have to be ironed out not, we hope, toward the lowering of the high standards enjoyed by this country. The second concern is the matter of free movement throughout the EEC, here as well as there. The third concerns the standards of technical education.

These matters were discussed at a meeting of the Liaison Committee of Architects of the Common Market, held recently at the RIBA. Attendance was remarkably complete, almost all delegates from Common Market countries attending. During the two days of the conference the composition of an Advisory Committee on these crucial subjects was discussed and proposals forwarded to the EEC Commission.

Apart from the three main subjects, agreement was reached on the question of a European Code of Conduct, issued as a statement of principles and intentions for the guidance of architects moving from one country to another in the EEC.

Yet more attention was given to the constructional side of the Commission's work. Most of the architectural organisations within the "Six" are rarely consulted by their governments about the building side of EEC activities; consequently the three acceding countries have much experience to offer.

A hopeful and encouraging sign was the proposal by the French delegation formally to express the hope that the U.K. would remain in the Community; they felt this to be of great importance for the future of the architectural profession and the construction industry in Europe.

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There are British Standards national regulations and local authority regulations. The subject will be discussed at a Building Services Engineering Society symposium.

Purposes are to outline the principal fire prevention requirements in buildings, encourage discussion of difficult matters and list all the sources of information.

Registration forms are available from the Conference Office, Institution of Civil Engineers, *Great George Street, Westminster* SW1P 3AA (01-839 3611).

Site unit is mobile

LIGHTWEIGHT site accommodation which is highly manoeuvrable and requires minimum maintenance, by Nordic Star Marine of Pickering, North Yorkshire, is thought to be the first mass-produced site unit in glass fibre.

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Specialist services extended

CEMENTATION CHEMICALS, which for years has provided water-proofing and structural repair services to the building and civil engineering industry, is now extending these services—through its contracting division—to include diamond drilling and chemical fixing.

Diamond drilling has wide applications in the construction industry. Concrete structures, for example, can be built quicker and cheaper by leaving the formation of ducts and conduits until the main fabric is completed. Diamond drilling of the necessary holes can then be undertaken during the final stages of construction.

This obviates the need for *placing formers before the* concrete is poured as well as allowing alterations in the positioning of service pipes and cables—for instance—until a very late stage in the construction programme.

The chemical fixing process uses a synthetic resin as a bonding agent which becomes an integral part of the material into which the fixing is bedded. This method can be used wherever it is necessary to obtain a quick, high-strength fixing into concrete, brick, masonry, blockwork, rock or other material of sufficient strength to take the load required of the fixing.

Cementation Chemicals, Mitcham House, Building II, 681 Mitcham Road, Croydon, Surrey CR9 3AP (01-689 2266).

Bowater's move in marketing

THREE subsidiaries of the U.K. paper-to-property giant, Bowater Corporation, have been amalgamated to form a major new £20m. a year company in building supplies—Bowater Building Products Joinery Division.

Companies are: F. Hills and Sons of Stockton-on-Tees, one of the country's biggest manufacturers of timber doors, door-sets, cubicles and windows; Rippers of Hedingham, makers of timber windows and kitchen units; and Calders of Washington, Tyne and Wear, manufacturers of home extensions and portable cabins.

All have been operating independently as part of Bowater Building Products, an autonomous subsidiary.

The three separate sales forces have been combined into a single team of 50 men operating from key locations throughout the country and it is hoped that by using one contact instead of three or four, architects and specifiers will be able to save time, paperwork and money.

Package to save time

BY PROVIDING a £70,000 package deal for the design and construction of 1,486m² (16,000ft²) precast concrete workshops and stores, Stocks Bros (Buildings), of Leeds, helped Kirklees Metropolitan District Council meet tight deadlines for the vacation of their former Dewsbury depot.

Stocks single-storey system permits completion of buildings in approximately two-thirds of the time required for traditional bricks and mortar construction at roughly two-thirds the cost.

Specification included plastic coated high tensile steel and insulated roofing incorporating translucent panels. Electric lighting and power, gas heating, floor finishes, internal and external decorations and drainage systems were included in the price.

Portable but not temporary

COLD ROLL formed steel channels have enabled Presco International to produce, at lower cost, portable buildings that meet Building Regulations' structural requirements. The buildings are no longer automatically classed as "temporary." They can be stacked two-high to provide additional accommodation where the site area is limited.

"Steelclad" buildings consist of stressed-steel roof and wall panels mounted on a braced structural steel floor frame. Traditionally the side main supports of this floor frame in temporary buildings were press braked sections fabricated into suitable lengths. But the cold roll formed channels can be supplied to any length.

The sections are made by *Metal Sections, Broadwell Works,* Oldbury, Warley, Worcs (021-552 1541)—a TI company. The building has successfully completed strength and stiffness design tests set by Salford University.

Upside down roof repairs

RE-ROOFING work that used an "upside-down" technique of roof construction has eliminated dampness that damaged decoration in top-floor flats at an apartment block in Finchley, North London, while at the same time providing additional thermal insulation.

The technique involves Roofmate extruded polystyrene foam, manufactured by Dow Chemical. The foam material, in board form, is applied above, rather than below, the damp-proof membrane, protecting it from temperature cycling, ultraviolet degradation and mechanical damage.

Exposing the insulant in this way is made possible by the 100 per cent. closed cell structure of Roofmate, which is resistant to moisture absorption and retains its insulating properties when damp, and also under extreme conditions, such as freeze/thaw cycling.

DOW, Heathrow House, Bath Road, Hounslow, TW5 9QY. (01-759 2600.)

Costain in Australia

COSTAIN Australia has won seven contracts in Sydney worth approximately £6.5m.

Paediatric block work for the Prince of Wales Hospital is worth over £2.84m. A public school, a gymnasium and a ten-storey college extension are valued at approximately £2m. Two contracts to design and construct government offices total over £1.25m. and a 12-storey hostel for aged persons is approximately £400,000.

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MONDAY, MAY 12, 1975

Politics and the market

IT HAS become a commonplace of the Common Market referendum campaign so far that some of the leading proponents of the anti-Market case, such as Mr. Enoch Powell on the right and Mr. Michael Foot on the left, make strange bedfellows in view of the wide divergence of their views on other political issues. Some pro-Marketeers, regrettably, have tried to interpret this banal fact with the gratuitous exaggeration that their opponents are, therefore, by definition "extremists," whether of the Left or the Right. This kind of smear can do the pro-Market case no good. The case for staying in the European Community is strong enough by itself not to need the admixture of innuendo.

Super-state

In a week-end speech Mr. Enoch Powell has reacted against the charge of extremism. Unfortunately he has counter-attacked with insinuations of his own which are at least as distasteful as those of some of his opponents, and which include the charge, as disagreeable as it is patently absurd, that the pro-Marketeers are virtually Fascists.

Mr. Powell is only able to reach this conclusion by presenting a picture of the European Community which is distorted out of all recognition, and by turning on its head the Labour Party's internal conflict between pro-Marketeers and anti-Marketeers. He starts from the premise that the aim of the European Community is to become a super-State, and he goes on to claim that the pro-Marketeers wish to sacrifice "Britain's Parliamentary self-government and political independence in order to belong to it." Assertions of this kind, which have become increasingly frequent in the anti-Market camp, bear no relation to reality. No member State has yet sacrificed its political independence to the Community, and none shows any signs of doing so.

But Mr. Powell goes further when he imputes to the pro-Marketeers the argument that membership of the Community is the only bulwark against Communism, and it is here that he brings in his charge of near-Fascism. This is an inversion of the debate within the Labour Party.

Labour split

For the fact is that it is the left wing of the Labour Party which has used the Common Market issue as a weapon against the leadership and the right wing of the party, and it is the left wing which has tried to pretend that it is only by rejecting the Government's policy and leaving the European Community, that Britain can follow truly socialist policies. In reality there is nothing in the Community to prevent Britain even from having a Communist government if the electorate so chooses. As Mr. Powell points out, there are large Communist parties in the Community, but there is no Community rule which could prevent the French or Italian electorates from voting them into power. It is the Common Market which has been made an issue by the left wing in the Labour Party's internal controversy, not the other way round.

What is not so far clear is whether the deliberate confusion of two quite separate issues on the part of the left wing of the Labour Party is likely to have a significant effect on the voting on June 5, let alone whether the economic crisis we are going through has enhanced the popular appeal of the left wing on non-European grounds. What is clear is that Mr. Powell cannot expect to be taken seriously when he inveighs against the evils of class divisions if he imputes views to his opponents which they do not hold.

Cutting railways down to size

WHATEVER the outcome of the railwaymen's pay claim, it is clear that the cost of running the present railway system is now escalating at a rate undreamed of even 18 months ago when the Conservative Government initiated the latest attempt to support British Rail by subsidy. Whatever pay increase the tribunal recommends, it is clear that the Railways Board will be able to go on paying its employees and providing the present scale of services only by drawing ever larger sums from the taxpayer.

Wage bill

The point has already been reached where the railways' earnings from passenger fares and freight charges are insufficient to meet the weekly wage bill. Soon, the public may be paying more in subsidies financed out of taxation than they are contributing in passenger fares. Five years ago British Rail's overall loss, before Government grants, was barely £50m. and three years ago it was still under £100m. This year the Government has set aside £341m. in passenger subsidies and £97m. to help fund railwaymen's pensions, local authorities are providing a further £30m., and the freight services—which are expected to stand on their own feet—are currently expected to lose £40-£60m. These figures may well prove to be underestimates. They also do not allow for the fact that the greater part of the capital sunk into the railway system, including most of the large sums spent on modernisation since 1955, has been written out of British Rail's accounts.

If the present policy towards the railways is to continue, then much more vigorous action must be taken to contain railway costs. British Rail is now raising its fares and freight charges by as much as it thinks the market will bear — with the possible exception of the London and South East commuter services where the railways have a near monopoly. It is also warning of more line closures and service reductions. But neither of these will bring about a dramatic improvement in the situation. British Rail's prices are now so far below cost that it may never be possible to catch up. And, while some services are so under-used that it would pay the railways to give a car to every passenger using them, it is claimed that a policy of major retrenchment would forfeit more revenue than it would save in system costs.

Yet major retrenchment may eventually have to be the answer. As Mr. Sidney Weighell, the general secretary of the National Union of Railwaymen, told the tribunal last week, it is up to the public to decide whether a railway system is needed. If the subsidy bill goes on escalating at the present rate—and the cost could well approach £1bn. a year before the end of the decade—opinion could easily swing round in favour of a smaller subsidy bill for a rump of inter-city, commuter, and freight train services. After all, Britain is a compact, crowded island where the average journey tends to be too short for railways to be really competitive.

Productivity

In the meantime, it is up to British Rail to obtain the maximum use out of the resources it has available. Although productivity has risen since the Beeching era, the improvement has not been as large as on some other European railway systems and it is difficult to accept that British Rail still cannot do better than move only 15 passengers and four tons of freight every working day for every person it employs. Railwaymen argue that their critics underestimate the limitations imposed by the present level of new investment. It is true that manpower can be saved by installing, for example, modern signalling and continuous welded rail. But British Rail has yet to settle the manning scales of its new high-speed diesels and it has also yet to win union agreement for the single manning of freight services. It may not be easy to negotiate manning arrangements with three separate unions. But railwaymen at all levels must accept that the public will not be prepared to support for ever a railway system that is over-manned and inefficiently run.

Probing the four frontiers of industrial democracy

BY JOHN ELLIOTT

WHEN the Chrysler motor company last Thursday night offered its workforce the chance to participate in solving the company's problems through sharing in the management of it, it was trailblazing in a way which no-one would have expected from a major company—let alone an American one—only a few months ago. At a time when the spate of companies with serious financial problems is pushing forward the frontiers of "industrial democracy" far faster than had once seemed possible, Chrysler said that it was "acknowledging that the world has changed, and will continue to change, and was offering its assurance that it was ready to proceed with new concepts and ideas since it was obvious that the old ways have not done the job."

Meanwhile most other political and employers' organisations are now wondering how to face up to the fast moving bandwagon which the Left regards as "workers control," the Labour Party dubs "industrial democracy" and the Conservatives and most employers call "employee participation."

Ideological conclusion

Like most employers, most trade union leaders and local officials do not fully comprehend where the bandwagon will lead them: some are far from sure that they or their members want to follow the path to its ideological conclusion and share control of companies with the management. "Hardly any of my shop stewards want to run his company," one local union official told me last week. "They want to be consulted before decisions are taken and then want to be free to strike if they are unhappy. But they don't want the responsibility of running the show."

This grass roots' attitude is at variance with the view held in the more bureaucratic atmosphere of the head offices of the TUC, the Labour Party and some unions. For it is here that the TUC and the Labour Party have evolved their policy on shop-floor elected directors responsible to their trade unions holding half the seats on the top of a two-tier Board structure. This policy has emerged as firm proposals for both the Post Office and British Leyland unions.

In a less rigid way, Mr. Benn is also encouraging industrial democracy at every opportunity, pinning his basic philosophy not on formalised arrangements like two-tier Boards but on some imprecise faith in the willingness and ability of union members to help reform and run their companies and industries if only all available information is disclosed to them.

"Industrial democracy" is now moving forward on four main fronts. First, there is proposed new legislation, like the Industry Bill with its National Enterprise Board, planning agreements, and disclosure provisions, and the Employment Protection Bill with different disclosure proposals linked to collective bargaining.

Second, there is industrial change such as the nationalisation of the shipbuilding and engineering industries where Mr. Benn is writing in provision for unspecified forms of industrial democracy leading to an "irreversible shift of power" to workers.

Examples of "old-style" union involvement: Mr. Les Buck of the Sheet Metal Workers (left) in line for the Alfred Herbert Board; Sir David Davies of the Iron and Steel Trades Confederation (centre) to be a BSC director; and Mr. Tom Jackson of the Post Office Workers going on the BP Board.

Third, there are proposals, also frequently inspired by Mr. Benn, for changes in existing enterprises. The Post Office unions' plan for extending their already highly effective consultative system with the Post Office Corporation into a 50-50 two-tier board structure is one example of this.

Fourth, and most widespread, are those companies in which the Government is becoming involved because of their financial problems. British Leyland, Alfred Herbert and Ferranti are the most noteworthy examples, while Chrysler's offer of participation last week shows how the idea of partnership in in times of trouble can also be introduced voluntarily by a company fighting for survival.

Chrysler apart, what has normally been set up is a pyramid of consultative committees from shop floor to board-room level examining the future of the company. In the case of Ferranti and Herbert the committees have been formally created, while in the case of BL the unions and shop stewards came together to pool ideas which they then proposed to the Ryder team. It is likely that these committees will stay in being in some permanent form.

Leading on from this is the prospect of 50-50 style worker directors. This idea has many critics on both sides of industry, and has been embraced by some unions only to be shunned by others which believe that the proper way to extend union control is through joint committees which gradually grow from consultative to controlling status. At Harland and Wolffs' Belfast shipyard a Government document posing these different alternatives is now being discussed and it is far too early to assume that worker directors will become the main form of industrial democracy.

Worker directors have however been put forward as a favoured option by a Labour MP in a Private Members Bill on Industrial Democracy which is now causing the Government some embarrassment and is expected to lead the Prime Minister to announce a fast-working Commission of Inquiry on the subject during the next few days. Put forward by Mr. Giles Radice, formerly research officer of the General and Municipal Workers' Union, the Bill only reached its present advanced Parliamentary stage—it is due to go into Commons Committee on Wednesday—by a procedural accident.

Ministers have been divided on how to treat this Bill, as they are on the whole subject. Mr. Peter Shore's Trade Department is not in favour of early widespread legislation because of its concerns about company law, while Mr. Michael Foot at the Department of Employment broadly goes along with the TUC's line that general industrial democracy legislation should be prepared now to follow the current Employment Bill into Parliament within a year. The Commission of Inquiry would, Ministers hope, cope with these differences and stop Mr. Radice's Bill.

One key problem now for unions is to determine the relative roles of full-time officials and shop stewards in their new-found participation. When the Ryder committee was preparing its British Leyland report there was considerable friction between shop stewards and officials, especially because the involvement of the stewards meant that their powerful but unofficial and unrecognised "national combine" gained some official status. Traditionally shop stewards operate at the shop-floor level while full-time officials operate at industry level and on national economic matters. Now however shop stewards are entering the national forum through the various company inquiries and this will be extended through planning agreements.

Paradoxically, union head offices will also become increasingly important because their research departments will now have to embrace broad financial and economic topics as they bear on the future policies of a company or industry, rather than dealing just with those matters which bear on wages and conditions of employment. Few if any research departments are equipped for this and even the energetic but tiny team at Ruskin College in Oxford which services quite a lot of unions will be hard pushed to cope with the mass of work which could emanate from a growing number of BL and Herbert-type exercises and from planning agreements.

It is this inability to cope which is making some union officials wonder why Mr. Benn concentrates so much on disclosure of information as the basis of true industrial democracy. Some union officials even ponder privately whether he—and those in the Government who are not opposing him too strongly—recognise that the unions are not capable of taking on full participation, and are now out to prove that they are not even sufficiently capable of coping with disclosure of information to make a worthwhile contribution on company and industry affairs. Certainly the haphazard way in which the unions have dealt with problems such as BL (where the real union strength in the Ryder discussions came from the presence of Mr. Harry Urwin, the Transport Workers' second in command, on the Ryder team) does nothing to quell this suspicion.

Unions are however responding to the challenge. Three major unions—the Transport Workers, the General and Municipal Workers and ASTMS—are expanding their educational and research facilities, while the TUC has called on the Government for possible financial and other help in financing training and Mr. Benn himself has talked in terms of the need to train up to 500,000 shop stewards.

But this will not overcome, without major structural changes, the problems created by Britain's conflict-oriented shop steward based shoe-string approach to trade unionism. Adding the further dimension of responsibility for company planning, and for shouldering consequential failures where they occur, could prove too much for unions as they exist at present.

But it should be noted that older methods of union involvement are still operated by the Government. Recent examples of older-style involvement through the appointment of TUC leaders to boards of directors have been Mr. Tom Jackson of the Post Office Workers being put on the BP Board, Mr. Les Buck of the Sheet Metal Workers in line to be the Government's nominee on the Alfred Herbert Board, and the reward of a BSC directorship for Sir David Davies of the Iron and Steel Trades Confederation on his retirement.

Another pointer to a possibly slower rate of advance came in the Ryder report on BL. Some union officials and sl stewards had hoped that would recommend a 5(worker director system or single board, rather than more cumbersome two- structure. But the report in was far from revolutionary proposed joint managem shop steward consultative c mittees for the corporati new car and truck and bus d sions, in three tiers: at d sional, area or organisatio and shop floor level.

The unions will go along w these plans, but there is pressure for worker direc from Mr. Benn. Perhaps most significant aspect of Ryder report, however, bea in mind the role its c author will play on plan agreements when he beco chairman of the NEB, is proposed terms of referenc the committees.

Agreements to plan

They are charged "to see far as possible to reach a ment" on future plans for factories "while recogn that executive responsib rests with management." indicates what may em with planning agreem whose function is far precise in the Industry Bill. Benn is thought to have in r merely "agreements to pl which would not necess. involve formally agreeing failing to agree on a comp future. This would be dif to operate in tradit management-union relation because it would face a u which failed to agree wi decision whether to traditional style indus action in protest. An "a ment to plan" however n involve nothing more bin than the type of widesp consultative process which been carried on in A Herbert.

Mr. Benn and his colle —as they have said durin Bill's committee stage—se measure as introducing a range of industrial demo with workers having a though not necessarily a over who owns their com This is in line with the contract's basic theme o forming unions by giving responsibility, and is summed up by a prom Left-wing union member o Labour Party's national e tive, Mr. Brian Stanley o Post Office Engine Workers, who explains the for his belief in a 50-50 b of directors by saying: "D cracy means helping to s the policies which govern quality and style of life. S the major part of one's li spent at the place of work, is where democracy is need

The problem however is strongly shop floor wor actually want such co oriented "democracy," whether existing institutio the unions—are capable operating it.

MEN AND MATTERS

Dundee's benefits

Max Lewinsohn says he got the idea, appropriately enough, from the Cremation Society itself. His Dundee Crematorium company is now offering what might appear to be the ultimate in shareholder privilege — anyone owning 50 shares or more "may, upon death, be cremated free of charge at the company's crematorium whenever possible, or elsewhere if this would be impracticable."

Dundee Crematorium is the quoted part of Lewinsohn's MIL Securities (formerly Maximillian Investments), which from Sutton, Surrey, also runs a company owning the country's biggest cemetery at Brookwood, near Woking, bought two years ago for nearly £400,000.

After a short spell as finance director of Wingate Investments, the property group, Lewinsohn joined forces with Donald Neville to found Maximillian early in 1973. After the Brookwood purchase, Maximillian popped up owning 14 per cent. of the Dundee company. A full bid was made in November, 1974, with Maximillian, which ended up with a controlling stake, promising that "the standard of services would be maintained."

Dundee had a record of a higher than usual number of cremations against burials (70 per cent. compared with the national average of 57 per cent). Now, says MIL, "it is one of the general policies of the company to make known the advantages of cremation as a means of final disposal on death."

That aim is shared with the Cremation Society, which dates from the latter years of the past century. Lewinsohn noted that the society members' fees were credited against the cost of their own cremations so, considering "many individual shareholders share this common aim," he plans the most unusual of capitalist perks.

Lewinsohn ("we were keen to help shareholders in some way") says that most of Dundee Crematorium investors do indeed live close at hand. For those dying far from Dundee, cremation locally would be paid for. Just buying the shares for the ultimate benefit does not seem worth while, though: 50 would cost some £95 at the moment, against an average cremation fee in the region of £25 to £30.

Sharing slowly

As yet another industrial dispute grips Chrysler U.K., Bill Lapworth, one of the leading union men involved, joins in the view from his side that the management's proposals for worker participation and profit-sharing are irrelevant to the immediate issue.

Chrysler claimed it had been working for a while on such plans, and had not been ready to unveil them. The threat of another strike, though, hastened the announcement. Despite his conviction that participation should not get in the way of a £15 a week claim, Lapworth is a whole-hearted supporter of industrial democracy, and it looks as though Chrysler is now thinking of building on a scheme he first helped set in motion.

That was the 50-50 union and management partnership evolved after the "shoddy work" dispute a couple of years ago at Ryton; earlier this year, when the plant was down to two-day working, Lapworth says he urged a similar scheme for the whole of Ryton.

Lapworth, 47, is South Midlands organiser of the Transport and General Workers Union. With a round, spectacled face that resembles his boss Jack Jones, he has a reputation with management negotiators for toughness, delivered articulately. In 1973, he played a key role in setting up the Meriden motorcycle co-operative.

With the Chrysler package, Lapworth is wary, arguing that such a big company must move slowly towards full democracy, ensuring that everyone ends up understanding what is involved in both benefits and responsibilities.

Sunoco's world of problems

"You can't look at any situation any more and talk about it being a long-term situation," said H. Robert Sharbaugh, president and chief executive of Sun Oil to the U.K., one of the less well-known of American oil companies (it ranks about 12th in size among U.S. groups, though it is the largest in lubricating oil).

Sharbaugh was discussing the prickly problems of the Far East. There, Sunoco has a 50 per cent. interest in an offshore block in the Gulf of Thailand, with drilling due to start in the middle of this year, plus a one-third interest in a block south east of Vietnam, where the first well was due to be drilled next year. As for the latter block, "these plans are contingent on some resolution of the very fluid political situation in South East Asia," under-stated Sunoco's latest annual report, prepared a few weeks before the Communist victory.

Sharbaugh, in London to talk to oil analysts, agreed the picture was complicated, but he added that nowhere in the world could now be regarded as totally trouble-free. Sunoco, suffering from a 63 per cent. decline in first-quarter net income, may have to cut its 1975 capital spending plans, and it blames in part changes in U.S. energy regulations.

Sharbaugh talked of how difficult it was to get the American public to "believe" that oil companies were responsible members of the community. Aware of this, Sunoco now shares with Gulf the distinction among American majors of having opened the Boardroom doors to a woman, seemingly the latest acceptable way to repair public image.

Earlier this year, Gulf, a target at past annual meetings for feminist wrath, appointed as a director a nun, Sister Jane Scully, who is President of a woman's college in Pittsburgh, where Gulf is based.

Sunoco took on one of the leading examples of American business womanhood, Mary Wells Lawrence, founder of the New York advertising firm of Wells Rich Greene, which after six years as a public company went private again last year when the Board agreed to repurchase outside shares. Mrs. Lawrence handled consumer products advertising for Sunoco and is now on the Board's policy affairs committee.

Another non-executive recruitment is that of C. Jackson Grayson, dean of a school of business at a Methodist University; his is an appropriate arrival as Sunoco has strongly Methodist roots, manifest still, reputation has it, in the notably abstemious nature of some of its top executives.

Can't lose

The latest project for which the Poles are trying to attract British equipment and know-how is a pulp and paper mill at a place called Kwidzyn.

Observer

LIVINGSTON, SCOTLAND
Contact George McPherson Industrial Development Man
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FINANCIAL TIMES SURVEY
Monday May 12 1975

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BRITAIN AND EUROPE

TOWARDS THE REFERENDUM

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U.K. at the crossroads

THE REFERENDUM on June 5 will mark a crisis point in British history. It will mark a crisis, in the most obvious, objective sense, in that it will probably decide, if not for good at least for a long time, whether Britain commits itself to its new partnership in Europe. (Only probably, for one cannot be sure that a small majority against Europe on a low poll would be ratified by Parliament.) For 25 years the original members of the Community have been fumbling to build a new type of intergovernmental relationship, and for 15 years every single British Government has tried to join their enterprise. Yet it is symptomatic of the contrast between the European undertaking and traditional British notions of separateness, national superiority and post-Imperial influence, that the long-matured decisions of Government and Parliament have had to be referred back to the unprecedented procedure of a popular referendum.

In that sense the crisis is not merely about the decision on Europe, but more profoundly perhaps about Britain's political institutions, the functioning of the two-party system, and the attitude of the voters to the political élite in Westminster. For whatever the final outcome of the ballot, it is clear that many people, quite possibly a large majority, feel baffled by the multiplicity of arguments, whether economic, industrial, commercial, diplomatic, political or purely emotional, that have been deployed on both sides of the controversy. A recent in-depth survey showed that the overwhelming majority of the population felt too ignorant to vote

Now, of course, it is not facts which are lacking in this case. Over the years, more millions of words must have been published about the Common Market than about any other subject. If anything, there are too many facts (and pseudo-facts) for most people to handle. If they are baffled, it is because they mistrust those whose function it is to interpret the facts—the Press and above all the politicians. The Labour Party, of course, has invited mistrust, partly by its internal dissensions, partly through the repeated U-turns on the European question by the party leaders.

Forecast

In a way, however, it is curious that people should still be baffled, for the controversy between the pros and the antis has been going on, in fits and starts, for 15 years, and the central arguments have changed very little over time. On the anti-Market side the main themes are still, as they were in 1960, those of cheap Commonwealth food versus the expense of inefficient European producers, the forecast costs on the balance of payments, the loss of British national and parliamentary sovereignty and, less explicitly, a distrust of a Community which they regard as capitalist, Catholic and bureaucratic. The pro-Marketeers still talk about the need for access to our most important export market, about the economies of scale, and about the need to give political and economic expression to the fact that Britain is a European country, sharing a common culture, a common history and above all common interests with other European countries.

Yet it would be wrong to suggest that time has stood still since 1960, for the situation has changed in three important respects. In the first place, the Community is a subtly though significantly different beast from what it was 15 years ago. It achieved with contemptuous ease most of the things prescribed in the Rome Treaty, in the removal of national barriers to trade, and this process is still continuing on the more intractable non-tariff barriers.

But since the late 1960s, the member states have failed to reach agreement on where they want to go next, or if they have agreed, as in their repeated attempts to embark on economic and monetary union, they have done so by methods which were bound to fail, and duly failed. The Community has fulfilled its role as the vehicle for Franco-German reconciliation, and it is routinely taken for granted, inside the original member states, as an indispensable factor in their economic prosperity. But for the time being at least, the fire of inspiration and aspiration has gone out of it, to be replaced by the labours of administration.

Young idealists of the European idea have grown old in the ungrateful task of implementing the agricultural policy, and it is more difficult not to be aware that the momentum of the early years appears to have been, if not lost, at least temporarily mislaid. The member governments face the choice between keeping the Community on a care-and-maintenance basis, with technical improvements on minor issues, and making what would have to be quite radical moves towards a more politically integrated Community. The phase of negative integration (the removal of trading obstacles) is well advanced, if not over: the phase of positive integration (the building of new links between national policies) has hardly begun, and is not merely more difficult technically, but also more daunting in political and psychological terms.

The second change, which follows from the first, is in the general tone of the arguments advanced by the pro-Marketeers. According to the in-depth survey referred to earlier, it appears that the pro-Marketeers are now not merely less passionate and intense on the question than the anti-Marketeers, but also less passionate and intense than they themselves were some years ago, and one of the reasons must be that the image of the Community is less inspiring than it used to be. On the other hand, it is also clear that the content of the pro-Market arguments has shifted over the years, from a primordial emphasis on the industrial and commercial aspects of the Common Market, to a rather diffuse case which takes much greater account of the political and diplomatic factors in the Community.

One explanation for this is that, with the departure of General de Gaulle, even the French Government is now prepared to envisage previously taboo subjects, like majority voting in the Council of Ministers and direct elections to the European Parliament, and that even without direct elections the Parliament is beginning to make clear its determination to have a bigger say in the spending of Community money. Secondly, the Community has started to play a more political role in its dealings with the outside world, notably in the European Security Conference or in the negotiation of the Atlantic Declaration with the Americans last year. Amid all the uncertainties created by the oil crisis, it will become increasingly difficult to distinguish between the economic and the political aspects of its international relations.

The third change—and it is the *most* fundamental—is that Britain is now a member of the European Community. Logically, leaving the Community comes to the same thing as not joining it. But in practical and political terms the two operations are quite different, and are likely to have quite different consequences. While we were outside the Community we had a very clear idea of our relationship with the rest of the world, and we had a fairly clear guide to what our position would be inside the Community, from having watched the Six at w for the previous two deca Now we are inside the C munity we have a much cle idea of how the Commu works, and how far it can made to take account of Bri interests, but we have very li idea of—and no reason to encouraged by—our likely p tion in the world if we le If the electorate and the liament so decide, it will be too easy to leave the C munity, but that is only beginning of the story. should then have to decide to put in its place, and would mean a new round negotiations whose outc would be, by definition, u tain.

Yet despite the stridenc some of the campaigners looks as though much of electorate is not merely ba by the problem, but also slig bored. The choice is critica our future, but we have wrestling with it for gettin for 20 years. With any the referendum will settle argument in favour of Br membership.

Ian David

The great debate

THERE IS a strong atmosphere of unreality about the "great debate" which is supposed to be convulsing the British public in the run-up to the Common Market referendum. One reason for this, of course, is that the voters have heard it all before and are now bored to tears by the whole entertainment. The same actors have been gabbling the same lines for too long—some of them for 15 years—and if the anti-Marketeers' speeches seem slightly less tired than the pro-Market ones, that is merely because they now have a faint touch of eccentricity about them. The fact is that the British electors have never at any time since Mr. Macmillan first applied for membership of the EEC really been prepared to delve into the complexities of the subject and they are not now. The referendum would not be taking place if Mr. Wilson had not lost control of his party and been obliged to appeal to the British public to rescue him.

And that brings us immediately to the other source of unreality—namely the gap between the stated subject of the argument and the real one. The Government and the two "umbrella" organisations — Britain in Europe and the National Referendum Campaign — rush about organising support and producing expensive literature. The voters will no doubt make up their mind on the merits of the case as best they can. But the real point at issue, so far as the politicians are concerned, and the main source of the occasional spark of life that illuminates the debate, is the question of the future of the Labour Party and hence of the existing party structure in the United Kingdom.

Credibility

All the existing political parties have a great deal invested in the result of the campaign. The most obvious case in point is that of the Scottish National Party whose credibility will be greatly enhanced if Scotland votes "no" while the rest of the country votes "yes." The probability that this will be the case was the main cause of the Government's desire to conduct the count on a national basis. But the Labour Party's vested interest in a positive result is not much less clear-cut, whatever the anti-Marketeers may say. The consequences of a "no" vote are really horrifying, not simply for the Prime Minister and the pro-Market faction in the Cabinet and the Parliamentary Labour Party but for the organisation as a whole.

The essential point is not just the rebuff to the authority of the Government in the country, though this would be bad enough. The real problem is that this result would be a major victory for the Left within the Labour Party itself which would oblige the Right to stand and fight. In crude terms this means that unless the "no" vote were overwhelming it is improbable that the Government has the votes in the House of Commons to effect withdrawal from the Community. The schism within the Labour Party which this situation would entail would almost certainly bring down the Government sooner or later.

It is arguable, of course, from this premise that it is in the interests of the Conservatives that the referendum result should be "No"; but, of course, things are not nearly as simple as that. The Conservative Party, traditionally concerned with power in the international field, has been committed to the European adventure for years and the institutional pressure on dissenters during the past decade has reduced the anti-Market element among the Tories to a tiny rump of half a dozen or so MPs. But quite apart from the difficulty of changing the Conservative line at this stage there is the matter of self-interest. The question is whether the Conservative Party could survive a break-up of the Labour Party. Much would obviously depend on the exact circumstances under which such a break-up took place. But a political cataclysm which caused the defection from Labour of its ablest Right-wing Ministers and a number of back-bench MPs could hardly fail to exert a powerful influence on attitudes among the Conservatives.

Coalition

A certain amount of caution is necessary in following this line of thought—a caution not always observed at present by politicians on the Labour Right and Conservative Left — but there now are various possibilities ranging from coalition to the formation of a new party, all of which have rather more plausibility than in the past. There happens to be a disaffected, strongly pro-Market element of the Conservative Party, and a disaffected strongly pro-Market section of the Labour Party co-operating at present in the Britain in Europe campaign with joint funds and a joint political infrastructure in the country at their disposal. It is not totally impossible that under certain circumstances something might come out of this—and that is a notion which the *present* leadership of the Conservative Party finds as disquieting as the Prime Minister and his colleagues.

The effect of these presentiments upon the party managers, and to some extent upon the rank and file, has been quite marked. On the Conservative side they have obliged Mrs. Thatcher, who has never been an ardent pro-Marketeer, and some of her supporters, who have been even less so, to toe the pro-Market line. The temptation to cause trouble for the Government in the passage of the Referendum Bill has been resisted, and at grass roots level the argument that it is more important to bring down Mr. Wilson than to remain in Europe has scarcely been heard.

On the Labour side a good many bets are now being hedged. It was noticeable at the Special Conference on the Common Market which Labour held at the end of last month that nearly a quarter of the constituencies sent no delegates—presumably because the debate within individual parties was too evenly balanced. The trade unions are also showed a tendency, in many cases, to moderate the stridency of their opposition. The reason, I should judge, is partly the realisation of the consequences to the party of a "no" result, partly a realisation that the result is likely to be "yes" and that further out on the anti-Ma limb the Left and the un find themselves the harder be the fall when the ele saw the branch off.

Accepted

If the answer of the cou on June 5th turns out n positive, that will not, of co mean that the Labour stru for power is decided. The defeated on this point, will doubtedly find another fav able ground to fight upr almost certainly the econ What it will mean, howeve that there will be a chance of the result b accepted—that the trade un will return to Brussels, Labour members will appe the European Parliament, that anti-Market ministers couch their opposition to whole enterprise in term "protecting British inter within the Market frame rather than attempting to the whole structure d Whether Mr. Wilson then down in history as the man saved the European cause the Labour Party as wel another matter; but his hold upon his party for moment will certainly be creased. Do the voters, as ponder where to put their in three weeks' time, re this? I wonder.

David W

EUROPE?

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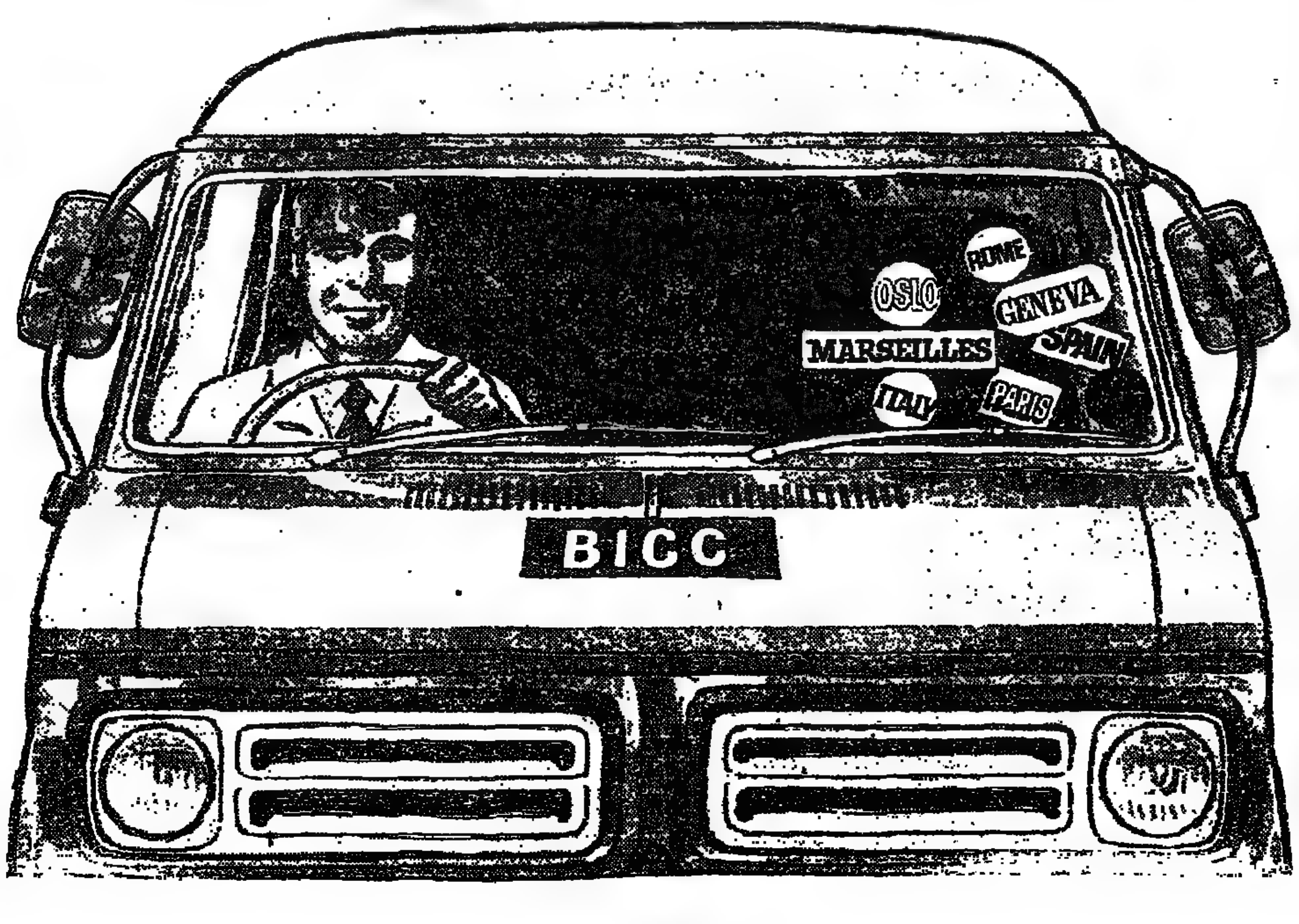

The alternatives

IF BRITAIN were to decide to give up membership of the European Community, many of its formal links with the outside world would remain unchanged. We would still be members of NATO, of the United Nations, of the IMF and the World Bank, of GATT and the OECD and the *International Energy Agency,* to name but the most important. But in the field of trade, our departure from the Community would automatically require a decision on some alternative arrangements, for a repeal of the Communities Act would leave us without either a tariff or an agricultural policy.

Broadly speaking, the alternatives fall into three categories, which can be described as the choice between independence, internationalism and a European solution. The independent alternative would be one where Britain adopted a purely national tariff, without special attachments to any other country or countries. In the version which appears to have the support of the extreme Left wing the addition of import controls would transform independence into something much closer to self-sufficiency than Britain has known in the past. Leaving aside the question of the advantages or disadvantages of this option, it is unlikely to be adopted so long as the Labour Party is led by Messrs. Wilson, Callaghan and Healey.

Traditional

The second, internationalist alternative is one which appeals to the traditional free-trading school of thought, and finds expression in such proposals as those of Mr. Douglas Jay, for a world free trade area or, more restrictively, a North Atlantic free trade area. Until now there has been no suggestion that this idea has any support from those foreign countries whose participation would be required to turn it into a reality, such as the Commonwealth, the United States or Japan. Their attitude might conceivably change once Britain had left the Community (though it seems implausible), but for the time being this is a purely hypothetical option.

The European solution is much less unreal than either of the other two, partly because the other European countries would be most unlikely to refuse to consider some alternative trading *relationship,* partly because it would have the support in Westminster of all the pro-Marketeers and most of the moderate anti-Marketeers. But it would be neither automatic nor easy, and it would be naive to assume that it would confer all the advantages of membership without any of the disadvantages.

It would not be automatic, because the revocation of membership would necessarily include the revocation of our trading agreement with the Community. In theory the other member states could agree to a new arrangement which would come into effect before our departure. But they have already "renegotiated" the terms of entry once with us inside, and it is almost inconceivable that they would conclude a new arms-length agreement with us until we were again outside the Community.

Nor could we retain automatic free trade with our former EFTA partners which have remained outside the Community. We had to leave EFTA before we could join the Community, and it was by virtue of our agreement with the Community, and of the Community's agreements with the EFTA countries, that we were able to retain free trade with EFTA. If we wanted to rejoin EFTA as a non-member of the EEC, we should have to negotiate an agreement to that effect. In short, regaining our present access to European markets would involve new rounds of negotiations with two groups of countries.

These negotiations would not be easy, because the other countries would certainly consider them solely in the light of their own national economic and commercial interests, leaving us to defend our interests as best we could. It is sometimes suggested that the Common Market countries would have a bigger interest in free trade with us than we in *free trade with them,* because we *have* a very large trade deficit with them. It is a suggestion which takes no account of the fact that we may yet be *forced* to put right the deficit by *resorting* to the import controls advocated by one wing of the anti-Marketeer movement, nor yet of the fact that we take only 8 per cent. of their exports while they take one third of ours. The strong, unfortunately, are usually in a better bargaining position than the weak.

In some ways, it would be more difficult to negotiate a deal with the EFTA countries than with the Common Market. For they are bound by a number of rules, which circumscribe their freedom of action, and whose interpretation is governed by the Community. On the one hand their trade with the Community is dictated by very strict rules of origin, such that only products with a very small proportion of foreign ingredients qualify for free entry. On the other hand they are subject to the same competition rules, and to the same restrictions on State aids to industry, as if they were inside the Community.

Agreement

The chances are, therefore, that the EFTA countries would be not merely unwilling, but also unable to negotiate Britain's return to the EFTA fold until Britain had negotiated some agreement with the Community which made it possible. It follows that a British-EEC free trade agreement would be broadly similar to the various EFTA-EEC agreements, and that while it would certainly be no more favourable than theirs (or the rest would be wanting one too), it might well, in a number of ways, be less favourable.

In the first place, it would certainly include the tight rules of origin, the competition rules, and the restrictions on State aids which figure in the other EFTA agreements. But in the second place, it would almost certainly include additional provisions for fishing, for oil and for agriculture. The fishing oil concessions (for it is we *would have to make the co sions) might not in practic* all that *important, though* would certainly be ga against the background of anti-Marketeers' aim of rec *ing all our national soverei* But the agriculture provi would probably be very si cant, in practice as well principle.

For we can be fairly conf that the Community go ments will not give Britain trade for industrial export they believe that Britain gain an economic advanta buying cheap *food from ab.* In any case, their farmers now started to enjoy benefits of access to the bi food-importing market in world, and it is hardly plau to suppose that their go ments will sacrifice witho struggle an export trade last year was worth n £1.5bn. On *the contrary* should not be surprised i *quid pro quo* for an indu free trade agreement commitment to buy guara quantities of, Community at Community-related price

Even that may not sa those inside the Comm who do not feel that we sh get the benefits of membe without the burdens, and are worried by the implica of having so large a Euro country outside the *Euro* customs union; the Be industry federation has al *expressed* its opposition free trade agreement Britain, and similar views reported to be held in Ger industrial circles.

All this is, of course, thetical. The electorate vote in favour of the munity; it may vote aga but on such a low poll an such a small margin, Parliament might fail to r our withdrawal. But if referendum should take us of the Community, there be no doubt that the searc an alternative arrangement be prolonged, acrimonious, probably disadvantageous.

Ian David

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Co-ordinating foreign policy

OREIGN POLICY co-ordina- on is one broad area of Com- unity activity in which the overnment clearly felt that no renegotiation " was necessary —or even desirable. Part of ie reason, no doubt, was that Ir. Callaghan, like the other oreign Ministers, enjoys meet- ig his colleagues informally o talk shop and retail the latest ossip from Washington or eking. For a Foreign Secre- ary, it must make a pleasant hange from discussing fatty cids or Eurocrats' pay icreases in the Council of finisters.

But the main point is that oreign policy co-ordination in ie Community is very different rom the sort of co-ordination f economic or commercial olicies that takes place under he Treaty of Rome. Foreign olicy discussions are not, in act, technically part of the "Common Market" at all. The ine Ministers meet as repre- entatives of national govern- nents, outside the traditional ommunity institutions, and re not bound by the normal ules of Community decision- naking. Neither foreign policy or defence is covered by any f the Community's founding reaties, and there is thus bsolutely no question of interference " from Brussels.

Timetable

The move to co-ordinate oreign policies dates from the Hague Summit of December 1969—the same meeting at which France finally and ormally lifted her veto on British entry. The Hague Summit, as well as deciding on the somewhat ill-fated target of full economic and monetary union by 1980, also agreed to launch the Community along the road towards "political union"—although without a precise timetable. The following year a study group, chaired by Vicomte Etienne Davignon of Belgium, reported that foreign policy co-operation would be the best, and easiest first step.

Since then, foreign policy co-operation has grown from small beginnings into an important area of the Nine's activity. In addition to regular council meetings, the Foreign Ministers now meet at least once a quarter to discuss and co-ordinate their policies, and the Community's Political Committee meets about once a month—or more often when there is an important ministerial meeting to prepare. On top of this fairly regular series of meetings, the Ministers have recently also taken to meeting about once a year for quiet country week-ends, with wives but no officials, for highly informal discussions about foreign policy and other major political issues facing the Community.

All these meetings, whether at ministerial or committee level, usually take place in the country currently holding the Community presidency—Ireland will finish its six-month stint in the end of June, to be followed by Italy. One of the aims is to help distinguish foreign policy consultations from the formal Council of Ministers' sessions, always held in Brussels or Luxembourg, which officially only discuss policies that come under the Community's treaties. Another difference from formal council sessions is the success that the Nine usually—but not always—have in keeping their political consultations secret, although there was a notable breach in Luxembourg last month when someone leaked that the Ministers had rejected an important American request for support on Vietnam.

For some governments, particularly the French and the British, the efforts made to underline the distinction between Council meetings and foreign policy "consultations" remains politically important. The point is to underline that member governments are still totally free to conduct their own foreign policies even if they may choose voluntarily sometimes to work together with the other eight. It is a distinction, however, that is not easily grasped by the many people who are not experts in the EEC institutions.

In recent months, and especially since President Valery Giscard d'Estaing took over the reins from President Pompidou, France had been making less of an issue of it. The French now no longer object when Ministers hold political consultations when they are in any case together for Council meetings, and the presence of the Commission at political consultation sessions is more widely tolerated. A further erosion of the distinction has taken place recently with the introduction of a secret session at the beginning of each regular Council meeting. In these sessions the Ministers may range freely over political aspects of decisions that will later be taken formally in the Plenary Council meeting.

Nevertheless, the distinction is still there, and it clearly has had an inhibiting effect on the development of a genuinely "European" foreign policy, which is where the co-ordination of national policies is theoretically intended to lead. In the modern world trade is a major arm of foreign policy. Yet trade deals with non-EEC countries are negotiated by the Commission, after it has received a mandate from Ministers meeting in the Council. If, however, the Ministers want to discuss the "political" aspects of their relations with the same countries, they should officially reconvene in another session with different procedures.

Diplomatic

Nevertheless, the Nine can point to a small number of relative successes in their attempts to co-ordinate their policies at diplomatic level. One of the most commonly cited examples is the way the Nine have succeeded in working out a common position, speaking "with one voice," in the East-West Conference on Security and Co-operation in Europe (CSCE) where the spokesman for the Nine is the country currently occupying the Council chair. The Soviet decision not to challenge this procedure when it was first used in Helsinki was hailed by officials as an important step towards de facto Soviet recognition of the Community.

The problem is that, however successful they may be as demonstrations of the Community's internal solidarity, the Nine's diplomatic initiatives can hardly be said to be enormously effective at world level. It may be a matter for self-congratulation if the Nine all manage to recognise a new government on the same day, but that is not going to change the course of history. Nor is a joint resolution by the Nine going to solve the Cyprus or Middle East conflicts, still less influence the situation in South-east Asia. Even when it speaks with one voice, Europe is not often heard.

On the other hand, it is still not clear how far the more relatively powerful of the Nine governments really want a single "European" foreign policy. French and German attitudes towards Washington, for instance, although closer than they have been for many years, are still a long way apart. France still also clearly wants to keep her hands quite free in dealing with the Arab nations and the Third World, and has recently shown no inhibition in acting first and telling her Community partners afterwards.

A further cause of irritation with the French recently was the way which President Giscard d'Estaing made concessions to President Boumedienne during his visit to Algeria, when the other eight countries were still trying to avoid doing so at the Paris energy conference that was taking place simultaneously. France, it is thought, is clearly trying to show the Third World that she is more politically sympathetic than her Community Partners—an activity which hardly conforms to the creation of the "European identity" that Paris has insisted on so strongly in the past.

Reginald Dale,
Common Market Correspondent

The view from Washington

THE U.S. Administration has said virtually nothing in public either about the British referendum or the renegotiation which led up to it. The silence has been tactical and should not be mistaken for indifference: it was ruled that any U.S. public statements on the subject could well be counterproductive. Nevertheless, if British Ministers visited Washington and privately sought the Administration's opinion, they were told quite firmly that the U.S. would prefer Britain to stay in—Mr. Fred Peart, the Minister of Agriculture, actually admitted as much when the renegotiation was still in its infancy and he himself was still an anti-Marketeer.

There is one very simple reason why the U.S. does not want even to contemplate a British withdrawal. Britain out of Europe would be a new problem on the American doorstep at a time when the U.S. already has problems enough and it would conflict with the American view of the world which has been developing over the past year or so. This includes a mending of the fences with Western Europe after the quarrels which followed the Yom Kippur war of October 1973 and a realisation of the limits of American power.

Strategically, this view is best expressed in the annual report of the Secretary of Defence, Dr. James Schlesinger, published in February. This remarkable document was written as though Saigon had already fallen: "With the end of our involvement in Vietnam," it says, "the emphasis of our planning has shifted towards Europe; however," it goes on "we still retain a presence in South Korea with backup forces primarily in Okinawa. Most of our forces already are or soon will be oriented toward a war in Europe, but we maintain some less heavily armoured and mechanised units for a lesser contingency and as the basis for a rapid swing towards Asia, or some other theatre."

The objective, says the report, is to be able "in conjunction with our allies to deal simultaneously with one major contingency (wherever it might occur) and one minor contingency, with the capability to 'swing' with some speed from one major theatre to the other."

The priority is given to Western Europe and North-east Asia, which means South Korea and Japan, the report adding that "the security of Japan and the peace of North-east Asia are critical to international stability." The Korean commitment is historical and there are still American forces on the ground in South Korea, but it is clear that it is also being used to deter any upheavals in the area that might threaten the external stability of Japan.

The defence policy outlined here is a retreat from the role of global policeman. It has become much more modest and realistic. Yet far from being the prerogative of the Pentagon, it is striking how much it is in line with the evolution of American diplomacy in general. U.S. diplomacy to-day is most concerned with relations with Western Europe and Japan—whether in the trade, monetary, energy or straight political fields. The days when President Nixon could seek a rapprochement with Peking without informing the Japanese are gone. Maintaining relations with the allies has become at least as important as improving relations with the adversaries.

Of course, the role of the superpower remains. But what is relatively new is the realisation that the U.S. is more powerful if it can take its allies along with it, and that it is worth prolonged consultations and even some compromise in order to do it. Again, this comes out very clearly in Dr. Schlesinger's report. The report is still pro-detente with the Soviet Union, though it warns that this may relax but not eradicate tensions and that the Soviet leadership is likely to persist in its efforts to create a balance of military power more favourable to itself. At the same time, the report is very understanding towards the Europeans. It admits that the major cause of the U.S. payments deficit has been not the deployment of U.S. troops in Europe, but the problems with the commercial account. Thus, in the present situation where the rise in oil prices has hurt Japan and Western Europe more than the U.S., the U.S. must be careful not to place overdue demands on its allies.

It is interesting that this relieving of the pressure on the Europeans to make an ever larger financial contribution to offset the foreign exchange costs of keeping U.S. troops in Europe has now been mirrored in Congress. After the final fall of Vietnam, it does not seem likely that we shall hear very much this year of the familiar Mansfield Resolution calling for U.S. withdrawal, nor of the Jackson-Nunn Amendment which called for a greater European financial effort. The ending of the commitment in South-East Asia has served to concentrate the mind on relations with the older allies who, like the U.S., are also industrial and democratic states.

The Europeans, or some of them, have helped by improving their own defence capability, itself a reaction to the growing military power of the Warsaw Pact. The West Germans are the most conspicuous example: the *Bundeswehr* has gained both in morale and equipment, partly because the Federal Government, especially under Chancellor Schmidt—a former Defence Minister, has shown a continuing interest in it and respect for it. France, too, under President Giscard d'Estaing has shown a more co-operative attitude towards NATO, though not to the extent of returning to the organisational fold, and quite frequently joins in exercises with the Americans. Even some of the smaller nations, such as Denmark, which were once reckoned to be the weak link, have increased their defence expenditure in real terms, despite economic difficulties.

One of the results has been that the Western powers participating in the East-West force reduction talks (MBFR) in Vienna have put up a surprisingly impressive performaance. The Atlantic Alliance has held together very well: the smaller nations have drawn back—the Dutch especially—from any temptation to make unilateral cuts, while the Americans have used the talks to resist Congressional pressure from unilateral cuts of their own. The talks have contributed to a greater mutual understanding within the Alliance.

The greater Western unity in defence matters is pursued through existing institutions, mainly the NATO Permanent Council in Brussels. Again, however, what is happening in defence is paralleled in other fields. As the U.S. has turned back to concentrating on allied consultations, it has made greater use of established formula such as the IMF and GATT, and especially allied co-operation within them. Where no institution existed, such as in the energy field, a new one has been set up. Like U.S. defence policy, the International Energy Authority concentrates on the same group of North America, Western Europe and Japan.

None of this rules out bilateral diplomacy and indeed both Dr. Kissinger and Mr. James Callaghan, the British Foreign Secretary, have been at pains to stress that Anglo-American relations have never been better.

How far this new spirit of consultation would survive a British withdrawal from Europe is something to which the Administration does not appear to have given any thought. For the present, however, it has developed a fairly coherent and realistic view of the world and a readiness to rely on and improve existing machinery.

Malcolm Rutherford

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Oil argument rages

IT WAS the prospect of North Sea oil and the fear that the EEC would take control of it which helped produce a "no" vote in the Norwegian referendum. And it is precisely the same feelings that are undoubtedly playing a part in the U.K. referendum campaign.

Scottish feeling now seems almost as much incensed by the suspicion of EEC intervention on oil as it is by the belief that the English plan to deprive the Scottish nation of its benefits. And the anti-marketeers in England, too, have not been slow to grasp this theme, presenting the North Sea and Britain's other indigenous energy assets in coal and gas as the means for assuring the country of profitable independence from Europe and warning of the loss of control which will result if Britain's European allies are allowed to get their hands on these prizes.

Evasions

As with so much else in the EEC debate, a great deal of the ensuing argument has tended to degenerate into a morass of half-truths, emotion and evasions on both sides. The fact is that the Treaty of Rome and the ambitions of the EEC bureaucracy do threaten the British Government's detailed direction of offshore development, particularly in the realms of protection of local industry and control over the destination and price of oil and gas output, to an extent which the pro-marketeers have been notably reluctant to admit. But the fact is equally that those threats are in particular fields and not in the broad areas of control over depletion rates and ownership which the anti-marketeers keep stressing. Although some members of the EEC might wish it, the Treaty of Rome gives the EEC no real authority to prevent the British Government cutting back the flow of oil and gas, taking over its ownership or taxing it in whichever way it wishes.

And the same could probably also be said of the other areas of energy policy such as coal and nuclear power. The Treaty of Rome lays down clear obligations to allow freedom of access and free pricing within the Community which does run up against any attempt by the British Government to control who builds plant and at what price the product is sold. But it does not intrinsically prevent the country making broader national decisions about rate of investment in coal or the technology adopted for nuclear power.

To an extent, therefore, the argument over energy and the EEC is essentially an argument over the interpretation of the Treaty of Rome and the judgement of how far its provisions can be implemented and how far they conflict with what any British Government may be wishing to do. The most serious potential problem probably arises with gas, where the U.K.'s. rules effectively protecting the Gas Corporation as a monopoly buyer and its tradition of using this monopoly to squeeze prices could be regarded as in direct conflict with the free movement goods and services and the commitment to free pricing in the EEC. Should a conflict arise with a producer of gas over the price of gas, U.K. membership undoubtedly leaves that company free to offer the gas to alternative buyers on the Continent and undoubtedly restricts the British Government's ability to intervene on price and destination.

Free flow

The EEC Commission has already intervened strongly in the case of the quarrel between Placid and the Dutch Government over Dutch offshore exports to Germany and has more recently sent a letter to the Dutch Government about its proposed policy towards exports and price preference in the internal market. On these occasions, and in private conversations between the Commission and officials of the British Government and Gas Corporation, it has done little to conceal its ambitions to enforce and extend its ideas of a free flow of gas through Europe at equal prices.

Whether it will end up in open conflict with the British on the issue should the country remain a member of the Community is another question. Civil servants and the Corporation fear that it may on present trends. But there are limitations to Commission power and there are ways of Britain discreetly avoiding the threat. The Gas Corporation's power as a purchaser of all off-shore gas is expressed in terms not of a strict monopoly but as a right of "first refusal," so that any legal conflict between U.K. regulations and the Treaty of Rome is disputable. The Government can always exercise pressure on companies not to try to export gas through a variety of means just as it can keep the price of gas down through negotiation without strictly breaking the rules. Ultimately, its success in this must depend more on political power in the Community than in the Commission. The move on the Placid case in Holland after all ended in a compromise under which the gas was still landed in Holland and other supplies made available to Germany—not in an outright victory for the Commission.

On off-shore oil — the other most contentious energy issue—some of the potential difficulties have been removed by the Government's commitment to free pricing for oil and its decision to avoid any direct regulations to control its final sale or to write in any required preference for U.K. industry in offshore developments.

British requirements that oil be landed in the U.K. still present a problem, although economics would probably impel this in any case where pipelines are used, and some of the ambitions of the European Community to develop common pricing and common commitment to rapid development also raise difficulties. But here again, much of the argument finally depends on broader political rather than legal factors. As it stands now, the U.K. can develop North Sea policies without too much hindrance as long as it keeps to its present course. Should it wish to change that course to control exports of oil directly and fix their prices, then there will be a fundamental difficulty.

Yet it is precisely this broader political consideration of energy matters and the future rather than the past development of any co-ordinated EEC policy which should form the heart of any debate about the role of energy in the EEC referendum debate but which is not developing at all. As in other fields, so far the debate has tended to concentrate on the essentially negative questions of whether EEC membership conflicts with the Government's present policy on energy issues. Where the argument should be developing is on the wider question of what energy policy should be adopted by the U.K. in the circumstances of to-day's so-called "energy crisis" and whether this policy is assisted or otherwise by the membership of a broader community with diverse national interests.

Programme

The reasons for this are not hard to find. Besides the fact that the U.K. has no real energy policy at present other than a broad commitment to developing indigenous sources and reducing consumption (aims which are the same as the EEC's), its role in European energy is bound to be an ambiguous one. As a country with medium-term hopes of becoming self-sufficient in fuels but extremely vulnerable to its current import reliance, there is an inevitable confusion as to whether it is now on the side of the consumer or producers on the oil price and supply issues. Far more than in the broader realms of diplomacy, energy has raised the issue of whether Britain's natural role is as a member of a wider grouping of energy consumers including the U.S. (for instance in the International Energy Agency) or as a smaller grouping partly in conflict with the U.S. Nor is it clear whether it wishes to "go it alone" on energy developments, such as nuclear power or offshore production, or whether it wishes to seek the aid and co-ordination of the IEA or the financial and technical assistance of the European Community in the formation of a European offshore industry and finance and a European-centred energy programme.

Attitudes

These are not questions that can be easily pigeon-holed into the issue of whether Britain should remain a member of the EEC or not. Other EEC members are equally divided in their attitudes and the ambitions of the EEC Commission are by no means reflective of the feelings of the Community as a whole.

But they are issues which the referendum does, and should, raise. A year ago, at the height of the energy crisis, the answers might have been easier as the U.K. looked to its undoubted strengths in offshore oil and gas, coal and its nuclear power experience. To-day, the debate is not quite so simple as the prospects of price falls develop and the realities of offshore difficulties become more apparent. Whether Britain remains a member of the Community or not, it will have to face the question of the future investment in coal, the degree of urgency in offshore oil and the extent of commitment to nuclear power.

Adrian Hamilton

Competition policy

THE FRAMEWORK of laws and rules within which industry operates may not always intrude into the daily business round but it has a decisive influence upon business practice and behaviour, and this applies just as much in the European Community as in any individual nation State. Right from the outset, the Community's policy makers have taken the view that a degree of harmonisation of these national laws will be essential if the Community is to evolve from a customs union into a genuine common market —if, in other words, parity of competitive opportunity is to become a reality.

The task was never expected to be easy. The diversity of national laws, practices and policies is enormous and so, too, is the range of matters that needed to be tackled. There has also been a measure of conflict —perhaps more apparent than real—between the Community's industry policy which seeks, in part at least, to encourage the emergence of fewer, stronger firms, able to stand up to the American challenge, and its competition policy where the Commission is seeking to police mergers as part of its campaign to weed out anti-competitive practices that stand in the way of the development of a genuine Common Market.

Progress has therefore been both limited and uneven. A start has been made on a programme of harmonisation of technical regulations affecting the whole range of industry including food-processing, and rather more than a score of the draft directives submitted by the Commission have now been adopted by the Council of Ministers. A series of harmonisation proposals of national company laws has been prepared, one of which—of fairly modest import — has been adopted.

In addition, to facilitate cross-frontier proposals, the Commission has brought out two draft proposals: one envisaging a European company statute which would give companies involved in a cross-frontier merger the option of creating a *Societas Europea* with a common legal personality throughout the Community; and the other envisaging the extension on to a Community level of the French type of *groupements d'intérêt économique* (economic interest groups) whereby firms from different member countries could co-operate for certain specific purposes—such as joint purchasing, marketing, research or development—while maintaining their separate legal existence and tax liability.

Compromise

On the controversial question of State aids to industry, a compromise arrangement was patched up towards the end of the British re-negotiation whereby member countries retained the common ceiling of 22 per cent. for aids in central areas and agreed to an eventual limit of 30 per cent. in problem areas.

At the same time, it was agreed that Britain could go on paying production aids, such as the Regional Employment Premium, which had been thought to be contrary to Community rules (although Italy has been operating a broadly comparable arrangement for several years).

In the field of competition policy, rather more progress has been made, principally because the Commission has direct powers under Article 85 (which deals with cartels) and Article 86 (abuse of dominant market power), subject only to appeal to the European Court at Luxembourg. Using these powers, the Commission nas taken action to curb sell agreements which underm the one market idea—horizo agreement by several produc selling their products thro one price-fixing ager exclusive selling arrangeme between producers and wh salers; selective distribut agreements, and vertical ag ments whereby producers wholesalers control distribut right down to the retail leve

The Commission has squared up to patent, tr marks, and licensing arra ments which restrict cr frontier competition. It has a series of skirmishes with t European and transnati companies, like IBM, Gen Motors, Continental Can, Pittsburgh-Corning, which the Commission's view— abused their dominant posi And it has set out proposal yet unadopted by the Cou whereby it could scruti mergers that might lead to abuse of dominant ma power. Although the Europ Court held, in the Contine Can case two years ago, that Commission could veto merger under Article 86, Commission has opted fo more formal arrangement approved by the Council.

It does not necessarily low that British firms would longer need to be conce about the Community's rule the United Kingdom sh withdraw. Clearly British panies that sell or manufac within the remaining mem countries would still need observe Community law, as experienced when it was in the Aniline Dyes Cartel a few years ago. Moreove Britain succeeded in negotia a free-trade agreement with Community after withdra then the Community could expected to insist on inser into the agreement exactly same provision which is in porated into all similar a ments with the EFTA count

This not only reproduces essence of Articles 85 and dealing with competition po it also incorporates the visions of Article 92 dea with State aids; and the a ments with EFTA mem specifically declare that Community will assess prac thought to infringe these visions on the basis of cri used by the Community applying Articles 85, 86, an In other words, we would b freer in our trade with the munity either in compet policy or in State aids; whereas in any dispute con ing State aids we could ap both to the Court and to Council (for different purpo if we remained a member, Community is free to take lateral action against a member.

Agreement

If Britain remained in Community, we would con to have some say in the deve ment of both the Commun harmonisation programme business law and in the t of its competition policy. would therefore at least ha chance, as one-voice among trying to reach unani agreement, in ensuring tha rules for "fair play" are up in a way that British ind finds acceptable. That doe mean that every compro would necessarily confor our tradition and preferen the case of company law example, although the Co sion, since Britain joine Community, has am several of its proposals—fo ample, those dealing company accounts and closure, and those dealing minimum capital on inco tion—the Commission's ge approach and philosophy largely reflects French German traditions and pra which have quite different mercial and legal roots ours.

Colin J

Funds to boost needy areas

MR. HEATH set great store by the proposed Community regional development fund when he took Britain into Europe. But the idea suffered a series of set-backs and the 1975 version now emerging is not going to be the powerful catalyst for changing the economies of Western Europe that was envisaged in those early, heady days.

Nevertheless, the fund has been set at 300m. units of account (about £140m.) for the 1975 financial year and at that level can begin to have an effect upon regional policies in the Community. Most important, it points the way to the likely form of economic and monetary co-operation short of full-union in those areas.

A series of funds and agencies with powers to raise money inside and outside the Community and use it to finance projects and help special situations will be able to do a great deal towards evening out economic disparities between Community members. The trend is for the range of such bodies to increase all the time.

The regional fund is an early and hesitant step towards improving the infrastructures of industrial areas and concentrating money where unemployment is high or industry obsolete. The fund is important to Britain because, by and large, the assisted areas of Britain qualify for help. It is important to the combined EEC membership because it offers a convenient agency within which European economic co-operation can be seen to be at work. Funds like this demonstrate the Community objective of improving the lot of all its member peoples.

The regional fund is far from being the only example that the Community can offer of economic help across frontiers— although being a political "set-piece" since its inception it tends to hog the head-lines. More has been heard in Britain recently of the work of the European Coal and Steel Community in the financial field borrowing money and lending it for investment in the industries that concern it; and for re-training and re-housing redundant workers from those industries.

When the Industry Bill becomes law England will have the National Enterprise Board but Scotland and Wales will have their own development agencies. Representatives of both the latter nations have been making the rounds of Luxembourg and Brussels lately checking up upon the powers to aid possessed by the regional fund and ECSC fund. It is most likely that both the Scottish agency and the Welsh agency will be seeking European money directly from these sources. And London will have to learn to live with that state of affairs.

Already the ECSC fund has lent some £80m. to British business including some low-interest loans. When British Leyland decided to go into production with their new sports car—primarily for the American market—at Speke, Liverpool, they were able to obtain some funding from ECSC in Luxembourg on the grounds that some of the redundant steel-workers from Irlam further to the east in Lancashire would be employed there.

Scotland and Wales see the *ECSC fund* as being particularly useful to them because of the high proportion of steel and coal activities in their total industrial mixes.

Backing

The group that wrote the report Economic and Monetary Union 1980 examined the role of the existing European agencies for assisting industrial development and went as far as suggesting that a new one be established. That would be the EEC unemployment benefit *fund. The idea is that it should* be financed by a direct tax on wages shared by the employers and employees. Such a fund could provide the unemployed with a supplementary payment of perhaps £1 a day at present day prices. So far there has been no serious political backing for that idea, but it is another straw in the wind as the European agencies are recognised as playing a part in Community development.

The remaining principal source of funds from European institutions at present—funds, that is, for industrial and infrastructural development rather than agriculture which is served by the Common Agricultural Fund—is the European Investment Bank.

Probably few people in Britain know that the second Dartford tunnel now being driven under the Thames to help the 30,000 drivers who now use the existing tunnel each day is being partly financed by an EIB loan. The bank has granted a loan of some £7m. to Kent and Essex county councils for ten years. That is the first EIB loan to be granted to a British local authority. But the bank is quite prepared to consider other local government applications if the schemes proposed are likely to make a genuine contribution to communications, or help solve environmental problems.

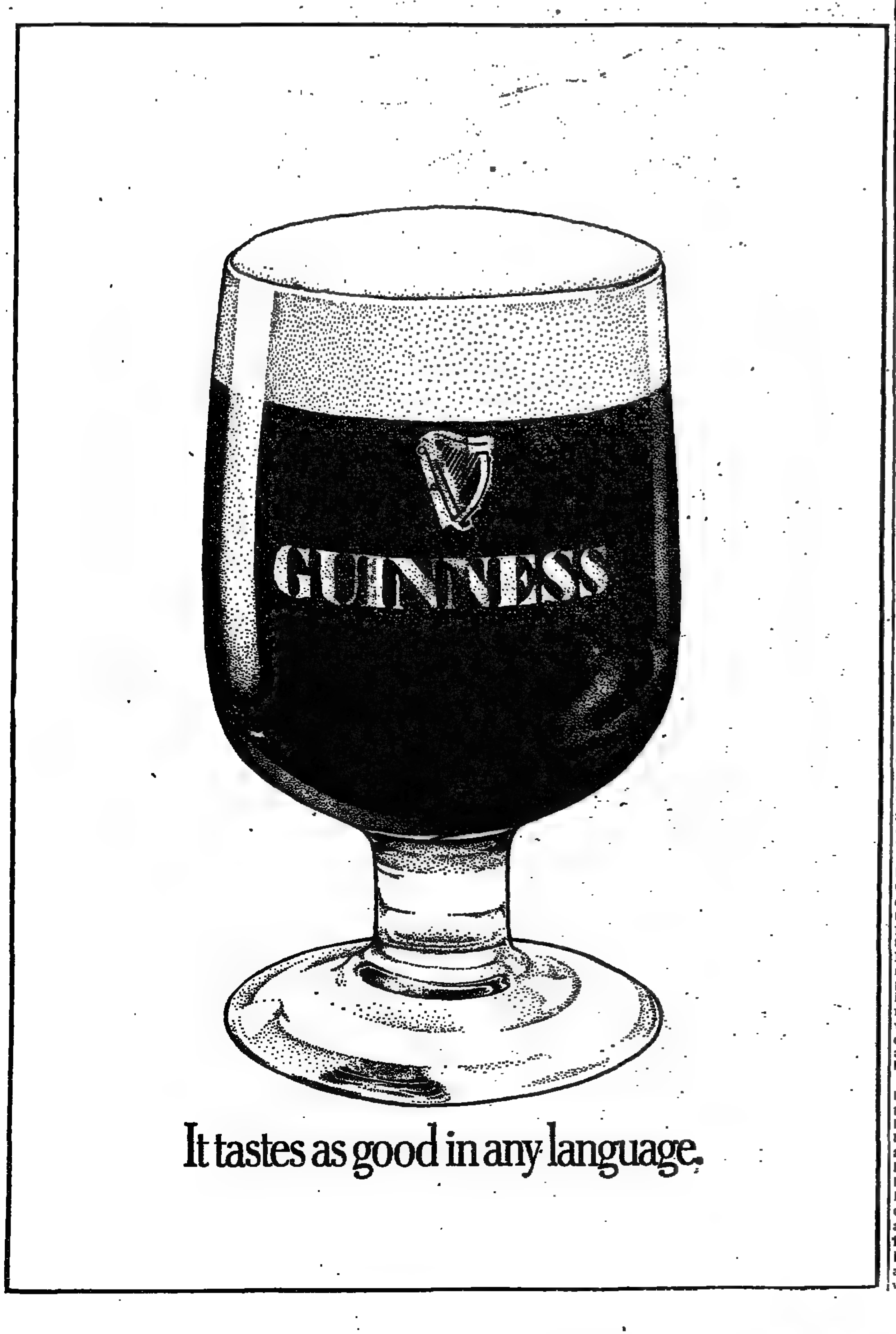
Generally, however, the bank, which was set up by the Community, prefers to lend to national development agencies and to public and private sectors of industry. The bulk of its loans go to promote regional development—some £250m. last year—and of the other loans most of the money has been going towards energy projects—nuclear power stations, and the development of oil and gas reserves in the North Sea.

Sir Raymond Bell, a vice chairman of the EIB and formerly a top British Treasury official, is looking for a much greater interest in his bank's facilities for loans from the private sector of British industry as the bank's role in the Common Market becomes better understood in Britain. So far *the lion's share of the Bank's* business with Britain has been with public sector industries, although interest shown by the private sector has awakened considerably during the past few weeks.

If the Referendum goes against Britain remaining in the Common Market the EIB would not be able to provide new loans to British companies after Britain's departure. But the old loans would be unaffected by the withdrawal.

The EIB has recently been in a position to be able to borrow more than it could lend. "The *only limit on our activities is* what the international capital markets, where we borrow our money, can bear," says Sir Raymond.

Roy Hodson
Regions Editor



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BRITAIN AND EUROPE VI

View from the City

THE CITY, almost to a man, is pro-Europe. That is scarcely surprising, given the traditional outward-looking posture of the Square Mile, and the strength of the performance of the financial sector in developing foreign business: the growth of invisibles has been one of Britain's few success stories in exports. Whether in banking, insurance, commodity trading, shipping, stockbroking or portfolio investment, much energy has been spent in recent years to boost the links with Europe—partly to compensate for the loosening of the ties with the Commonwealth.

Not that the City's early expectations of what Common Market membership might bring have yet been anything like fully realised, any more than they have for the U.K. as a whole. In the City's case a certain initial arrogance about the superior virtues of its free-wheeling capital markets as opposed to the rather rigid, bank-dominated Continental systems, has had to give way to a somewhat more humble attitude. The City's home base, plagued by low economic growth and accelerating inflation, has tended to weaken its impact on the rest of the EEC.

However, a special City in Europe committee has been formed to put forward the case for continued membership of the EEC, and is holding three meetings during the run-up to the referendum, though the bulk of City effort is going towards supporting the national campaign.

Other bodies have been speaking out independently. The Stock Exchange, for instance, pointed out the benefits which should come from the adoption of common standards in the capital markets. "Withdrawal would damage both the opportunity of raising capital by U.K. industry from investors within the enlarged Community and the prospects for expansion of international business," it said.

The prospect of a Europe-wide capital market is indeed an appealing one. Article 67, paragraph 1, of the Treaty of Rome calls for the progressive abolition of restrictions on the movement of capital between member states, and for the ending of any discrimination against foreign investors. But the timetable remains as uncertain as ever.

Portfolio

As far as straightforward portfolio investment is concerned there are still, more than two years after the U.K. entered the Community, severe restrictions on the freedom of British investors. Small investors have to go through the investment currency pool, paying the dollar premium which has recently been at an effective rate of over 80 per cent. Officially, the premium will be removed in 1978, but that must be regarded as a very doubtful prospect in view of the general feeling about overseas investment in the Labour Party—and even if the premium is eventually removed for EEC stocks, there will be heavy losses for those who pay the premium in the intervening years.

Large institutional investors have more flexibility, for they can buy Continental shares through back-to-back loans. But even here the experience of poor timing and mismatching of currencies in a period of rapidly fluctuating exchange rates has often been unfortunate. A rash of European investment trusts was launched in the pre-EEC euphoria of early 1972, and a number are now standing at only around half their issue prices.

A number of EEC companies have recognised the importance of the London Stock Market by arranging listings—these include Philips, Hoechst and Compagnie Francaise des Petroles, just to name a few. And several firms of London jobbers have begun to make markets in a range of Continental equities, regardless of whether they are officially quoted; the level of business has fluctuated greatly, but at times there has been a fair amount of trading, for instance, in North Sea stocks like Aquitaine and Petrofina.

At the same time, British companies like ICI and National Westminster Bank have arranged listings in centres such as Paris, Amsterdam and West Germany.

All this stock market activity has been backed up by moves towards common standards of accounting and disclosure. There is still a long way to go here—the French companies seeking London listings have often had to undergo extensive re-auditing to comply with U.K. standards, for instance—but it all forms part of a painstaking process of development which could eventually produce a truly international capital market, in which the City would fancy its chances of success. If Britain pulls out of the EEC much of the effort will have been in vain, and the City will feel itself increasingly isolated.

Similar arguments apply to other financial areas. Of these, insurance is the most important, for it brings in more than half the City's invisible earnings, more than three times that produced by banking, the next most lucrative. Insurance men argue that British membership of the EEC has contributed to developing the Continental insurance markets, which in turn has helped the London insurance market to continue to expand.

Some of the large insurance companies have forged strong links with the Continent. Perhaps the most notable was Commercial Union's purchase in 1973 of Delta-Lloyd, the second largest Dutch insurance group. Guardian Royal Exchange already owns a quoted German insurance company, Albingia, while Eagle Star, Royal and Phoenix are also represented in the EEC. Moreover several Dutch companies have bought insurance businesses in the U.K.

The position of Lloyd's is also important. Its move to allow foreign names could help it to expand in Europe and elsewhere. The large London-based insurance brokers also see plenty of potential in Europe. Plainly this will be much more difficult to achieve if Britain pulls out, and even with continued membership much will depend on the way in which harmonisation is achieved. For Lloyd's the question of local reserve funds may be important; for companies other matters loom large like the requirements on solvency margins, which may in due course ha to comply with a 16 per ce EEC minimum rather than t 10 per cent. currently enforc in the U.K. by the Departme of Trade.

British banks, too, have be rapidly building up their Eu pean connections, and t international operations of t Big Four clearers have gen ally been quite profitable in t past year or two—thou Lloyds' foreign exchange los in Lugano gave an indicati that the risks are also hi This is an area where the b riers to entry remain quite hi however, if only because lo banks tend to be so w entrenched. And a good p of the international bank business might survive a Brit exit from the Community.

Exposed

But the general fear of City is that although it plenty of world-wide links side the EEC, it would bec increasingly exposed if it w to be isolated from m economic areas like the I and the United States at same time as its traditi Commonwealth ties were de ing. It would find it very to prosper as a major finan centre in a declining off economy, probably plag by increasingly rigid con trols on trade and ca flows. Continued member of the Community will not offer it wider markets, but also be its best guarantee longer term future in a enterprise environment.

Barry R

Food equation turned around

PERHAPS THE biggest contrast between the referendum debate over EEC membership and the one which took place at the time of the original entry negotiations is the position of food and agriculture and, to a lesser extent, fisheries. In the years leading up to membership every publication on the subject of Britain and Europe came to the conclusion that whatever the many benefits of entry, one definite disadvantage was that food would cost more. Many an ardent pro-Marketeer was heard to mutter that Community membership would be perfect providing we did something about the Common Agricultural Policy.

For once, the experts seemed to be right. By the end of the first year of membership — 1973 — U.K. food prices had risen by an unprecedented 20 per cent. in 12 months. Small wonder that majority public opinion in Britain seemed firmly set against the EEC. They had been told that Common Market membership would mean higher food prices and here it was happening.

The fact that this staggering upsurge in food prices had nothing really to do with Common Market membership and that from summer 1973 onwards the CAP was partly subsidising the British consumer, took a long time to sink in — among politicians and the general public alike.

What had been planned, of course, was a 15 per cent. rise in food prices to the full EEC levels spread over a transition period of five years. Instead, Britain's cheap food policy was brought to a very abrupt end, not by the EEC but by a sudden cyclical disappearance of supplies of cheap food from the world market.

The net result was that the certain parts of CAP had to be stood on their head. Instead of charging levies on imports into the Community in order to keep up the price of first of cereals; and of sugar, the Community began instead charging export levies in order to prevent the flow of relatively cheaper EEC supplies on to the higher-priced world market.

Subsidies

The British consumer benefited not only from this but also from subsidies on food imports from the Continent, arising from the complicated arrangements for trying to reconcile a system of common EEC prices with floating exchange rates. Generally speaking, the more sterling had devalued, the greater has been the level of import subsidy.

Renegotiation, too, was instrumental in winning certain changes in the workings of the Common Agricultural Policy of benefit to the consumer. Most notable was the negotiated return of a deficiency payments system of beef market support in place of the EEC's intervention system responsible for the "beef mountain," albeit for an experimental year. This has given the U.K. consumer cheaper beef than if the full intervention system was applied and the producer a guaranteed price. As a result of renegotiations the Community also granted the U.K. permission to introduce its wide range of food subsidies.

But perhaps it was the Community's decision to make up the EEC deficit in its 1974 sugar crop, an important part of it in the U.K., by subsidised imports from the world market which more than anything else highlighted how the CAP could be used to benefit the consumer.

With the onset of the referendum campaign therefore, it is not surprising that pro-marketeers are no longer apologising as they did before entry, about the impact of EEC membership on food prices.

But because of the CAP's capacity to produce butter and beef mountains and wine lakes, the anti-marketeers sense reasonably that there is still some mileage to be had out of food prices as a campaign issue.

The real answer is that nobody knows. In the anti-marketeers favour is the fact that world grain prices have recently fallen back to below EEC levels, and imports are once again being subject to levies. The major grain exporters of the world, the US, Canada, and Australia do have the capacity to produce at a lower cost than do most parts of the EEC.

Some fruit and vegetables have probably become more expensive as a result of CAP regimes aimed at protecting French and Italian growers against non-EEC competition, but others are likely to be relatively cheaper because less protection is being afforded to U.K. domestic growers, and consumers are reaping the benefit of lower cost production elsewhere in Europe.

But whereas the anti-marketeers may be right in arguing that over the long-term Britain outside the EEC would receive its food more cheaply, they cannot seriously quarrel with the argument that this would be at the cost of putting up with intermittent world food price storms such as Britain has just suffered, as a result of the vagaries of weather and the Soviet Union's failure to feed itself from its own resources.

The benefit of Community membership is that it offers Britain greater security of food supply at far more stable prices. These prices may, on average, be higher than if Britain were to rely on the world market, over a period, but after the recent sharp upsurge in the costs of agricultural production and transport, they are not that much higher.

Option

Equally true is the probability that the world market option no longer exists. If Britain votes to leave, the anti-marketeers still expect Britain to be able to sign a free trade agreement with the Community. But it is almost certain that the other EEC members will agree to this only on condition that the U.K. continues to buy Common Market agricultural products, at a price which suits the EEC.

But whatever the arguments on the consumer side, the leaders of Britain's farmers are committed to staying. The chances are that a majority of farmers will vote yes with no great enthusiasm, since membership has not brought the increase in prosperity which was so confidently forecast prior to entry. The backbone of British farming is livestock production and the combination of soaring costs, particularly of feed, and the slump in end-prices must have shaken the faith of many a pro-market farmer. Again, world market and general inflationary pressures are largely to blame, though their position has undoubtedly not been helped by EEC's monetary import sul arrangements.

But staying in the market industry can at least look ward to a closer alignment full EEC farm price levels. are likely to see this as a b prospect than a return cheap food policy which, it served them well in 1950s and early 1960s, jected the industry to a sc squeeze in the years leadin to membership.

The one issue on which would appear to be a clea vantage in leaving the munity is fishing. The col of the UN Law of the Sea ference in Geneva seems i nent, and governments expected soon afterwards tend territorial and fis limits to as much as 200 m Inside the EEC Britain wil theory have to share its tended waters with o Community countries under terms of the Common Fish Policy.

In fact, the Brussels Con sion has already drawn up tingency plans which will to share out fishing rights historical and equitable Anti-marketeers may argue outside the Community, B would have the whole o tended fishing zones itself. could it? This would mea demning to bankruptcy fishing fleets of a large nu of other countries whose fault was that they had n as long a coast line. In past, such policies pro wars. To-day, there would anyway to be negotiatio find a solution fair to all is, after all, what the munity is supposed to b about.

Robin Re

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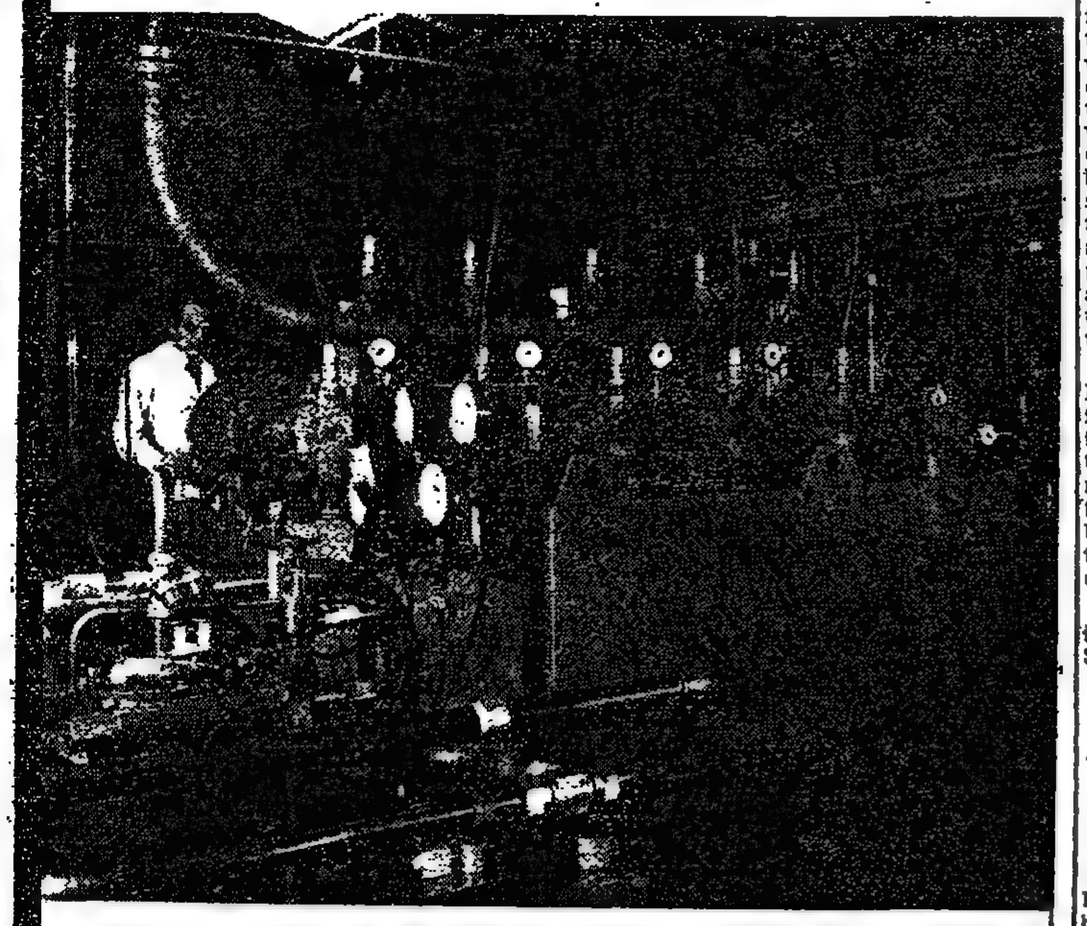
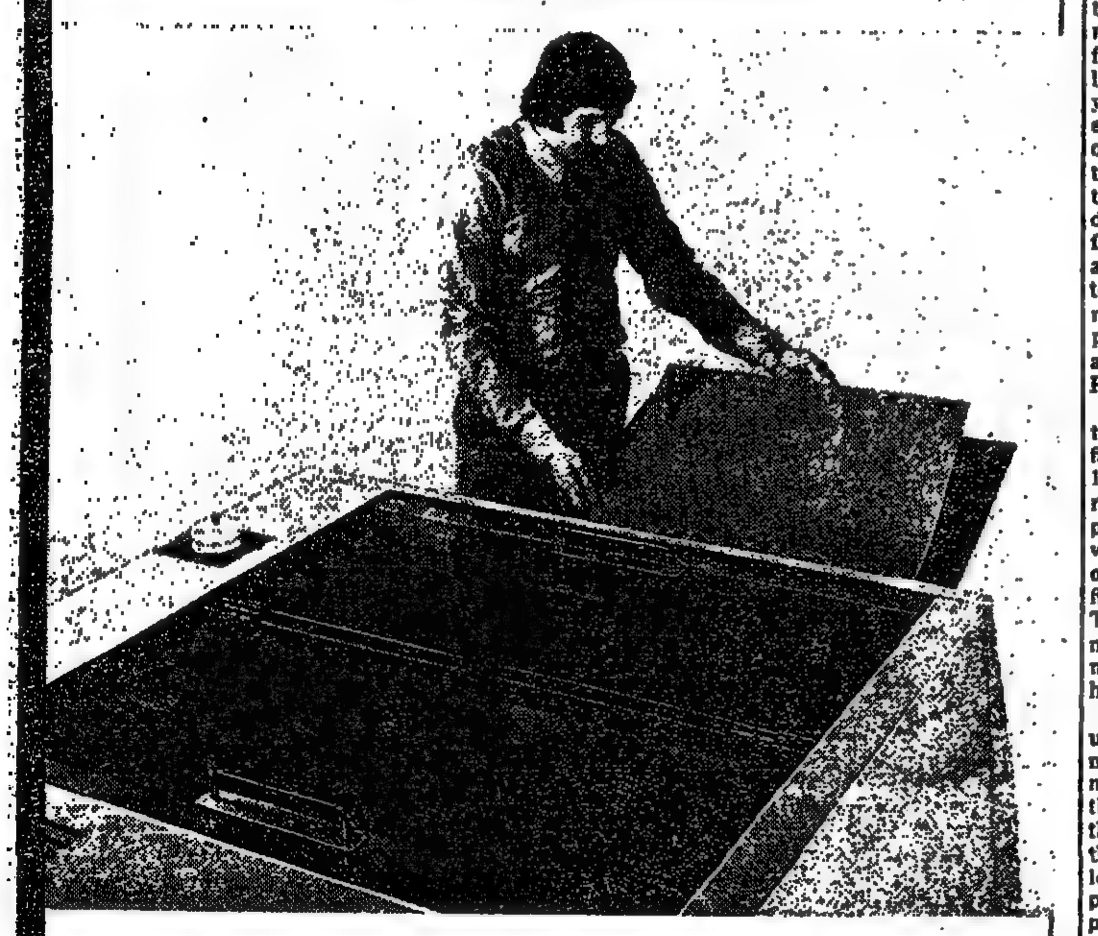


Hydraulic equipment



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هكذا من الأصل

Trade and investment

AMONG THE arguments sometimes put forward for staying in Europe is the proposition that, as a member of the Community, the U.K. is a more attractive manufacturing base than if we were outside it, and that, over the long term, exports from the U.K. to the rest of Western Europe will be an increasingly dynamic and favourable element in our overall trade balance. Opponents of membership claim that this argument has been proved totally wrong by the experience of the first two years of membership, when imports of manufactured goods from other EEC countries rose much faster than our exports to them; during the same period many British companies have invested on a large-scale in other EEC countries, both through acquisition and by building their own factories, while the flow of investment capital in the reverse direction appears to have been meagre.

As with most Common Market issues, the facts of the case are more complex than either the "pro" or the "anti" argument would suggest. It is true, as the table shows, that our deficit with the EEC in manufactured goods widened sharply between 1971 and 1973-74. The principal reason for this was the sudden switch from recession to boom engineered by the Conservative Government in 1972-73. The speed of the transition, and the strength of the domestic boom which followed, put an impossible strain on the capacity of U.K. manufacturers; imports poured in to fill the gap and the EEC, as the nearest alternative supplier, was the main source.

Yet this is not the whole story. Some of the sectors which have played a large part in the deterioration of the U.K.'s trade balance with the EEC, such as steel and cars, have deep-seated competitive weaknesses. British Steel Corporation, accounting for 90 per cent. of the steel industry, and British Leyland, representing nearly half the motor industry, suffer from inadequate investment and low productivity compared to their major Continental rivals. Irrespective of the state of the U.K. economy, entry into the EEC, leading to stronger competition in the home market, was always likely to expose their weaknesses—and this has happened.

Just how widespread the weaknesses are and whether they will inexorably lead to a continuing loss of the domestic market to Continental suppliers will not become apparent for some years. The case for pessimism tends to be reinforced by such events as the closure of the two Imperial Typewriter factories earlier this year. Whatever the specific reasons for the closure (mainly mismanagement by Imperial's U.S. parent, Litton Industries), the effect of the decision will be to reduce considerably U.K. typewriter exports and to increase imports from the major European typewriter producer, West Germany. This is not the only example. Imports of combine harvesters from the Continent have been increasing steadily in the last few years, while one of the long-established U.K. manufacturers, Ransomes Sims and Jefferies, has stopped making them because it is no longer a viable business.

Advantage

The hope is that in other sectors, such as diesel engines or gas turbines or fork lift trucks or bicycles, the U.K. does enjoy a comparative advantage over the rest of the EEC and that exports of these products will increase at least as fast as imports in the "weak" sectors. What the balance sheet will look like after five or ten years of membership will depend on how successful we have been in modernising our manufacturing industry and raising its efficiency to the best Continental (or preferably Japanese) standards.

U.K.'s TRADE WITH "THE SIX" IN MANUFACTURED PRODUCTS

Surplus (+) or Deficit (−)

	1971	1972	1973	1974
Plastics	−38.3	−51.6	−78.8	−163.0
Other chemicals	−11.9	−10.8	−17.2	−39.0
Iron and steel	−26.8	−48.5	−103.4	−324.3
Other manufactured goods classified by material	+143.9	+121.2	+183.9	+69.9
Non-electric machinery...	+37.3	−4.4	−158.7	−178.0
Electrical machinery	−17.0	−64.6	−133.1	−106.9
Transport equipment	0.0	−102.8	−173.7	−118.1
Misc manufactured goods	−3.2	−36.6	−104.7	−180.2

The need to modernise is essential, irrespective of EEC membership, and, requires, among other things, as the CBI pointed out, Government policies which provide a settled climate for the development of manufacturing industry. But there can be no certainty that EEC membership, by itself, will "cause" British industry to catch up with its Continental rivals.

Quite apart from under-investment and low productivity, U.K. manufacturing industry has another handicap in the more competitive environment which membership of the Community has created. Because of their long preoccupation with non-European markets, principally the Commonwealth and North America, many companies are not yet fully geared towards selling in Europe. It is partly for this reason that there has been such a spate of acquisitions of Continental companies. Lacking an established market position in Europe, some companies took the view that the quickest and most efficient way of obtaining it would be by buying an existing business, with a well-developed dealer network and sales organisation. Ideally, the acquiring company's U.K.-made products could be sold through the same network. But even if that was not possible, the acquisition would provide a Continental "presence" which could be built upon.

In the first year of membership British companies were involved in more than 150 acquisitions or mergers on the Continent. Many of the leading industrial firms, including GEC, Tube Investments, GKN, British Leyland, Beecham and Reed International, and a host of smaller concerns have made use of this route. The invasion of Europe by the British has been in striking contrast to the very small number of acquisitions in the reverse direction. Orenstein and Koppel of Germany bought a small British escalator company with which it had a close association; UCB of Belgium bought control of British Sidac, in which it already held a 40 per cent. stake; and Boehringer of Germany bought the small chemical company, J. & E. Sturge. Beyond these three examples, there has been little activity.

A list of mergers is only a partial guide to the flow of capital from the EEC. Some Continental manufacturers that have been established here for some time, such as Hoechst, the Germany chemical company, have continued to add to their investment. More generally, Continental concerns seem to prefer setting up their own operations in an overseas market, thus avoiding the management problems that takeovers may involve: many British companies can testify to the difficulties caused by unwise Continental acquisitions. It is also fair to point out that traditionally by far the biggest source of foreign investment in the U.K. has been the U.S. and this has continued. Whether EEC membership has actually increased the flow of U.S. capital into the U.K. is difficult to say, but it certainly helped to maintain it.

Opponents of membership have coupled the worsening trade position with the EEC and the spate of Continental acquisitions in an attempt to show that British companies, instead of investing in their U.K. factories to supply the Continent, have found it more profitable to build or acquire factories on the Continent with which to supply the market. There have probably been a few instances where this has been true, but in the majority of cases investment on the Continent has not been in any sense a substitute for investment at home.

The fundamental question, however, remains the extent to which investment in U.K. factories, and exports from them to the Continent, has been or will be stimulated by EEC membership. It is not difficult to find British manufacturers—Courtaulds is one example—for whom the EEC has become the most dynamic element in their business, whose investment decisions are very much influenced by their determination to win a larger share of the European market, and who regard the U.K. as the best place from which to supply that market. Some American companies, especially those with a long experience of profitable operation in the U.K., have a similar attitude.

At the present time, these companies appear to be in the minority; this is no doubt part of the reason why Continental manufacturers have been more successful in penetrating our domestic market than we have been in their markets. Will this situation change as more British companies succeed in adapting themselves to European competition? After only two years of membership the question remains open.

Geoffrey Owen

Industry undeterred

ALTHOUGH THE two U.K. Government Ministers responsible for trade and industry, Mr. Anthony Wedgwood Benn and Mr. Peter Shore, are so strongly opposed to the U.K.'s continued membership of the EEC, they have failed to shake the confidence of the vast majority of the country's industrialists. As far as they are concerned, there is no question that Britain's membership of the Community is not only to their advantage but to the benefit of the country as a whole.

This is not at all surprising, for the U.K.'s industrial interests have been firmly in favour of U.K. membership of the Common Market for nearly two decades now.

Indeed, industry, through the several bodies which then represented its interests, was in the front rank of the groups which pressed for the original application to join the EEC in the late 1950s and early 1960s.

Then, when the first negotiations on Britain's application were suspended in January 1963, it was British industry which tried to pick up the pieces, making clear its resolve to continue working towards an end to trading divisions in Western Europe by every means at its disposal.

And it succeeded. Over the next 10 years, until January 1, 1973 and Britain's accession to the Community, the three bodies that subsequently formed the Confederation of British Industry, and then the CBI itself, took various initiatives to keep the concept of U.K. membership alive through the frustrations of General de Gaulle's veto in November 1967 and the twists and turns of political opinion in this country.

Now, with the referendum on continued membership so near, the question which industry is effectively being asked is: was all that effort really worth while?

Contribution

In effect, the question was answered in March of this year, when the CBI produced a report by its Europe Committee, summarising industry's views as a contribution to the pre-referendum debate.

The report showed that the weight of evidence was overwhelming that British industry favoured continued membership of the Community, and that it did not believe that there was any effective alternative.

Only a handful of CBI member companies did not share this majority view. In the main these companies relied primarily on domestic sales or exports outside the Community. Most of them based their support for withdrawal on the somewhat negative view that they would face increased competition in this country when tariffs were dismantled.

Among the other reasons given were that membership had encouraged Japanese competition in the U.S. and Australia, or that it had diminished U.K. access to prime wheats, or that North Sea oil exports could make up for the loss of the longer term benefits of membership.

It must be emphasised again, however, that these were the views of only a very small minority.

The rest of the CBI's members firmly believe that industry needs a large and prosperous home market of 260m. people, compared with Britain's 56m.

There are many, many reasons for this opinion, some of them emotional and philosophical (and why not?) and some rather more factual.

For example there is a general feeling that it must be good for British industry to be part of a market which had an annual growth rate in the 1960s and early 1970s which was over twice that of Britain — 5.8 per cent. compared with 2.8 per cent.

There is a conviction, too, that even though this rate of growth has fallen off, because of the increase in oil prices and the slowing down of world trade, a powerful trading area like the Community will be swifter to take advantage of economic recovery than Britain on her own.

It is still too early for any sort of balance sheet to be drawn up of the benefits which have accrued to industry so far, but a few points have been made by the CBI on what it believes industry has gained.

For instance, Britain's exports to the Community last year rose in value to £5.5bn., or one third of total sales abroad. That is an increase of 37 per cent. over 1973, despite domestic constraints on industry and only two tariff cuts.

Since 1970 sales to the Community have increased by 134 per cent., far outstripping Britain's performance in any other area. In the same period exports to the Commonwealth rose by 60 per cent. to all non-EEC countries by 92.4 per cent.

Available

The Confederation also feels that industry has benefited substantially from the £466m. of Community funds made available during the first two years of membership in the form of loans and grants. Britain paid some £360m. into the Budget during this period.

Of the £466m. total, some £90m. was made up of various grants, another £200m. took the form of loans, most of which went towards modernising industry, and £176m. was spent in agricultural support payments which the CBI would argue directly benefited British housewives and farmers.

Industrial interests also feel that Britain has already made itself felt on a number of Community policies, particularly on trade and aid for developing countries and agriculture.

They argue that British businessmen—and trade unions, if they care to use it—now have a network of channels through which they can influence decisions made in Brussels, which will affect them whether or not Britain is a member.

In a sense, this is the most important point which industry is making. Having supported the concept of Britain's membership of the EEC through thick and thin, the CBI and its members would be most reluctant to see their views on the future development of Community policies go unrepresented. If Britain decides to come out of the EEC, one can only feel that industry will be unable to resist starting a campaign for re-entry. Its convictions run that deep.

Harold Bolter
Industrial Editor.

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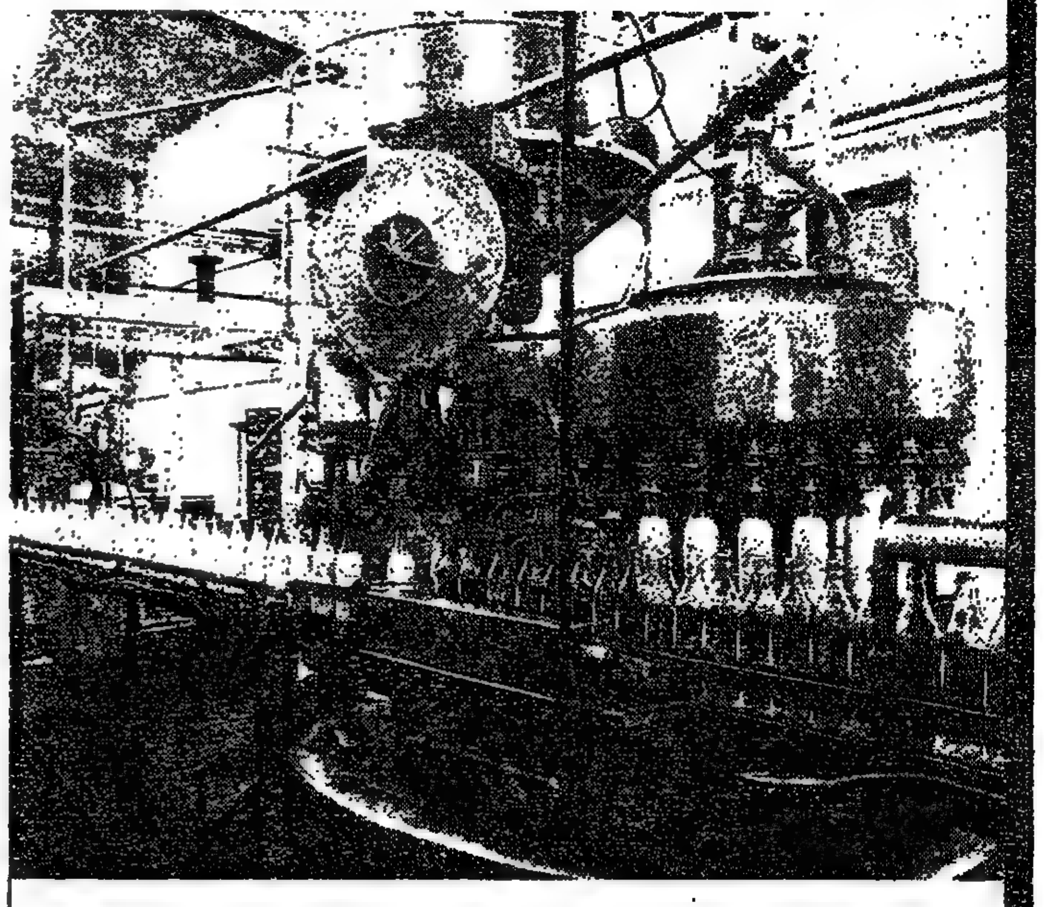

Bottle filling and washing machines

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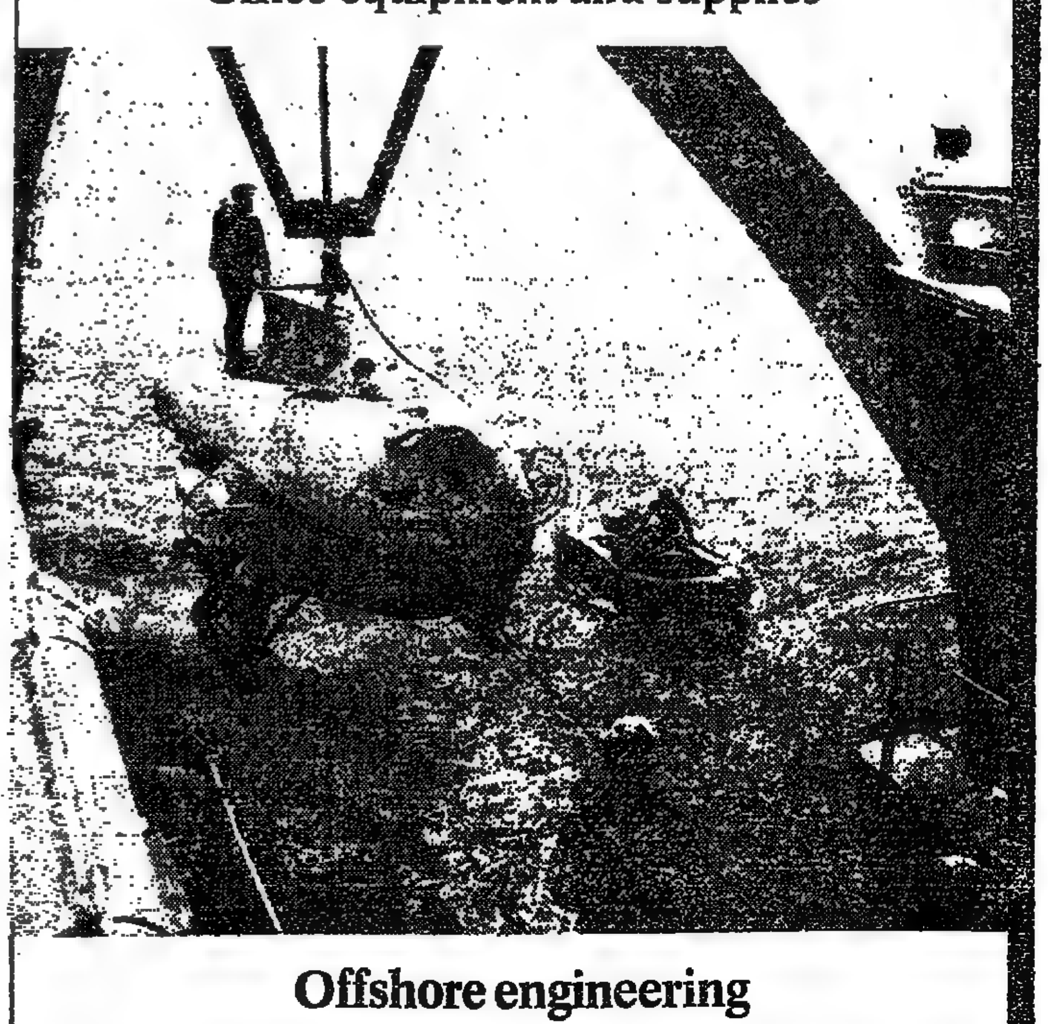

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Scotland's doubts

THE CONVENTIONAL assumption—which is actually quite hard to contradict—is that Scotland will prove to be one of the least enthusiastic parts of the U.K. on the question of EEC membership when the referendum votes are counted.

The balance of opinion at the start of the campaign, according to the polls, is absolutely even, with almost a quarter of the electorate still undecided. On the other hand, much of the telling political establishment in Scotland—the Labour Party, the Scottish TUC and the Scottish National Party—is ranged decisively against the Market, and has only just begun campaigning actively.

The anti-market camp will undoubtedly be assisted by the absence of any instinctive identification of Scots with Continental Europe, despite the historical Franco-Caledonian 'auld alliance'! This may well be reinforced by an essentially negative popular conception of the EEC itself, on such things as food prices, and inshore fishing limits.

There is also the feeling that the EEC will strengthen the forces of "centralism" and will heighten Scotland's impression of being isolated on the periphery of a political and investment system which is no longer just Westminster-oriented but is now focused even more remotely on Brussels.

Finally, there is the fact that in trade terms Scotland appears to be less "dependant" on the EEC than is the case for the U.K. as a whole. An assessment last year showed that, while Scottish manufacturing exports (excluding whisky) to the EEC rose from 23 to 25 per cent. between 1972-73, in the U.K. they rose from 23 to 32 per cent. Scotland's trade with North America is marginally more important to her than is the U.K.'s and her sales to areas of the world outside Europe, North America and the Sterling Area (at 30 per cent.) is twice as important as is the U.K.'s.

The fiscal advantages of membership are liable to have a broadly neutral influence. Various EEC funds have approved an estimated £100m. of grants and loans to assist a list of industrial and research projects. On the other hand the EEC Regional Fund will be worth, it is expected, scarcely one-tenth of the £200m. a year earmarked for Scotland under U.K. regional policies.

Resilience

Among the factors which will encourage a "yes" vote the most important, unquestionably, will be the alleged fear that major economic difficulties would result from Britain's withdrawal. This could have a substantial impact, notably in the high-unemployment Clydeside area, precisely because of the traditional tendency for Scotland to suffer more and longer during a U.K. recession. This assumption is still deeply ingrained despite the new resilience that has been induced recently by North Sea oil activity.

Allied to this, is the forecast that the flow of foreign (mainly American) investment, on which post-war Scotland has become highly dependent, could dry up or could actually be withdrawn. If this did happen, it would be a greater disaster in Scotland than elsewhere in the U.K.—a new survey estimates that employment in U.S.-owned manufacturing enterprises reached 92,000 in 1973, about 14 per cent. of the Scottish manufacturing total. In engineering, American companies employ about one-third of the Scottish workforce.

There are certainly some very large assumptions in the pro-marketeers' fears for this investment—Scotland's attractiveness as an English-speaking manufacturing and marketing base for U.S. companies has by no means been confined to Britain's prospective membership of the EEC. However, it now clearly represents a large consideration for both foreign and home investors in Scotland: and in the current economic climate, industry's predictable view that it would be damaged by withdrawal from the EEC may weigh more heavily with employees.

What finally assists the pro-Market case is the fractured and ill-co-ordinated character of the anti-Market campaign. In a part of the country whose allegiance to the Labour Party has been particularly strong, the self-imposed "neutrality" of the party machine will be highly debilitating for the anti-Market cause. Indeed, while Scotland's Cabinet representative Mr. William Ross has voted against the renegotiated terms in Cabinet and in the Commons, he is unlikely actually to stomp the country seeking a "no" vote.

The one uncertainty is the possible impact of the SNP campaign. The Nationalists, who attracted nearly a third of the vote in the October General Election, go into the referendum ostensibly as the only party united firmly on a "no" vote, under the slogan "No entry—on anybody else's terms."

Withdrawal

Superficially, the SNP is campaigning on ideal constitutional ground. The similarities between the issue of British withdrawal from a European Common Market after two and a half years and Scottish withdrawal from a U.K. Common Market after two and a half centuries are too striking to be ignored.

However, the SNP's motives are also mixed. They are as divided as Labour on the EEC, but are able to paper-over their split by suggesting that Scots should reject terms which would have been improved, hypothetically, by an independent and oil-rich Scotland. What the SNP actually wants from Scottish voters is a tactical vote: "No—for the moment."

The Scots (ominously for Westminster) might well be prepared to accept this imagery. On the other hand, the issue is already complicated enough for it to be quite possible for this "Scottish dimension" to be swamped. Certainly, a Scottish "yes" vote would be a bloody nose for the Nationalists.

But, in the event of continued British membership (with or without Scottish endorsement), the SNP is already prepared to campaign for separate Scottish representation on the EEC councils. This compromise (suitably linked to the forthcoming Scottish Assembly) will have considerable emotional attractions for many Scottish voters. It may even commend itself, as a viable European reform, to politicians of other parties in the more conventional politics that will follow the referendum.

As things stand, it seems clear that a Scottish "no" would materially assist the SNP case for Scottish independence, particularly if it was over-ruled by a decisive English "yes." Although the referendum might thus intensify the arguments about Scotland's place inside the U.K., it cannot ultimately resolve them.

Chris Baur
Scottish Correspondent

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N. Ireland has much to gain

OF ALL the regions of the U.K., Northern Ireland perhaps stands the most to gain in the long term from continuing membership of the EEC. Like the Irish Republic to the South, the whole of the province will be eligible for aid from the EEC's Regional Development Fund, a factor of potentially major importance in the light of the present drying-up of investment there.

Recognition of the EEC's importance has indeed had the effect of making the Common Market one of the few non-local issues to impinge upon the depressingly parochial world of Northern Ireland politics, in the sense that it attracts more than passing attention from political parties who have all gone on the record with pronouncements for or against remaining within the Community.

But what to many may appear a healthy sign has been to some extent negated by the fact that the debate over British membership has largely tended to be conducted along sectarian lines. In this connection, the Loyalists, through the United Ulster Unionist Council, are opposed to British membership, while the predominantly Roman Catholic Social Democratic and Labour Party, is in favour.

The Loyalist opposition to a large degree stems from their suspicion of any body which entails supra-national authority, particularly at a time when the UUUC is hoping to win the restoration of Cabinet government at Stormont. Their cause has been greatly strengthened since Mr. Enoch Powell joined the Loyalist ranks at the last General Election, when he was returned as MP for South Down.

On top of the sovereignty argument, there is also the traditional dislike of any grouping which contains a Catholic majority. Demagogic utterances about the Treaty of Rome are particularly useful in sending atavistic shivers down Protestant spines.

The SDLP's argument in favour of membership broadly follows that of the Dublin government, with Ulster seen as standing to gain enough materially to offset any losses in the field of domestic control over its own affairs. Briefly, the SDLP's case is that membership of the EEC at least holds out the prospect of Ulster being able to break out of the poverty which has for so long served to fuel sectarian passions.

SUBVENTIONS TO NORTHERN IRELAND FROM EEC FUNDS

European Social Fund	£8.26
European Farm Fund	£1.27
Regional studies	£0.82
European Investment Bank loans	£2.6
TOTAL	£12.2

Source: Northern Ireland

Speculation

In the absence of final agreement on the Regional Development Fund, much of the argument is of course based on speculation. The U.K. Government has, however, pledged that Northern Ireland will benefit to the full from whatever aid may come available.

Although the £400m. a year Northern Ireland receives from the U.K. Exchequer as a whole will no doubt continue to provide the lion's share of outside support for its economy, the province can point to tangible benefits it has received directly from the EEC since 1973.

Since the U.K. joined the Community, more than £12m. has been paid or committed to Northern Ireland by EEC institutions, including loans totalling £2.6m.

The loans were made by the European Investment bank to companies inside the province. The biggest single items, however, is covered by aid from the European Social Fund totalling £8.26m., mostly for expenditure on employment, training, rehabilitation and resettlement services. One consequence of this, on top of the U.K. Government's own contributions, has been to make Ulster's industrial retraining facilities the most prehensive in the U.K.

Although the structure Northern Ireland's agricul is such as to make local mers largely ineligible for port under the Common cultural Policy, the provi agriculture has since 1973 ceived subventions tota £1.2m. from EEC funds.

Although divided itself British membership of the the Westminster Govern has not been reluctant to us level of support Northern land receives from the munity in its own attemp head off those Loyalists consider that Ulster may to declare itself independe assure a Protestant hegem The U.K. Government pointed out that these be derive from Northern Irela position as a member of U.K. and has, in effect, wa the Loyalists that the C munity, with its own com ment to allowing democratic countries to membership, would not be clined to view favourably independent State based o ligious discrimination a this seek to negotiate agreements.

Whether these warnings produce the desired effect se unlikely at a time when, bu by their recent successes in Constitutional Convention tions, the Loyalists appear more intransigent than The June 5 referendum is pected to produce an overwh ing vote against U.K. mem ship among Ulster's voters

Paul Ellm

North well used to Continent

TRADE traditionally was considered to follow the flag. Yet the people of England's industrial north would, if taxed on the matter, in all probability put forward the contrary view that the flag follows trade. The north, where the industrial revolution was cradled, has been in the business of opening up promising world markets and disengaging from unimpressive ones ever since. So often in the northerners' experience the Lancashire cotton salesman or the Sheffield steel man has been out there knocking on doors while in Whitehall they have been still trying to find the new country of opportunity on the maps.

All of which gives an indication why northerners cannot claim to have been surprised by the arrival of Britain inside the European Communities. In the north they have been raising their levels of trading with Western Europe for years. The industrial economy of the north—a great belt of manufacturing effort each side of the Pennines and along the big estuaries—is now wedded to West Europe as its biggest single market. Europe is also the closest foreign market, and the export market thought most likely to provide it with growth business in the years ahead.

The Common Market concept can certainly puzzle the northerner as much as the man from another region of Britain when he pauses to think about its meaning in terms of politics and national sovereignty. Yet the northerner cannot claim to be unfamiliar with the Market as a trading partner. The evidence of the influence of Europe is all around him in his working life.

Signs of the times in the north of England have been parties of shipyard workers from the Tyne and the Wear regularly departing to apply their skills on contract in West German shipyards. On Merseyside, which does not look out on to Europe and could be argued to be the area of the industrial north least exposed to European influences, a Dutch firm recently looked for 200 men to build installations in Holland. T had well over 2,000 applicati

Signs of the times, too, the growing number of air services between the sma regional and the city airp of the north and the indus centres of Europe. They not being put on out of altr by the airlines but becaus pressure from businessme get from such places as I ford, Leeds, Manchester, castle-upon-Tyne, etc., to day's work in Europe an back at their desks the fo ing morning. Meanwhile, fr traffic is booming between East Coast ports and the I pean ports. The Humber p in particular, cannot recall a period in their history. parallel with the growt major facilities such as I drive-on/drive-off links a the North Sea the small are busy tailoring their t to a series of new small services which can operat into the European water system.

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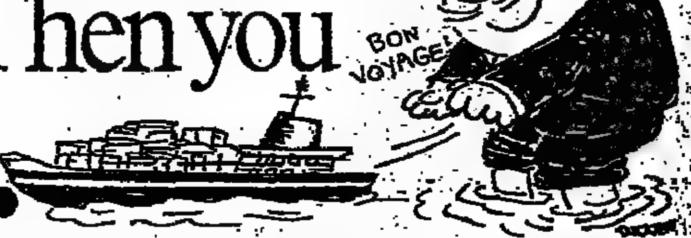

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Mixed feelings in Wales

WALES IS not a part of the U.K. which could be expected to be enthusiastic about Common Market membership. It has long suffered from being a peripheral area of Britain with the familiar problems of above-average unemployment, depopulation, and declining heavy industries. New industry has been attracted to Wales but at nothing like the rate needed, despite the plethora of regional aid policies promoted by successive governments.

Looking at Common Market membership at its simplest, there would seem to be little sense in the Principality swapping London as the centre of decision making for even more distant and foreign Brussels; nor for an economic community devoted to free competition and the unfettered circulation of capital, investment and labour.

As a delegation of Plaid Cymru put it on a recent visit to Brussels: "We are experts at being on the periphery and we see the whole thing being repeated on a bigger scale and feel defenceless."

Politically too, Wales' political loyalties would point to a fairly solid majority against. Industrial Wales is one of the strongholds of the trade union movement, the majority of Welshmen have voted Labour in recent elections. Given this combination, it would hardly be surprising if the majority of Labour supporters were on the side of the party as opposed to the Government.

Conference

To the surprise of some, the effective opposition in Wales, Plaid Cymru, has come in against continued membership. Admittedly this was a result of the floor of the party's annual conference in January forcing through a hard line anti-Market resolution, against the advice of the platform. But this has not prevented two of Plaid's three Westminster MPs campaigning vigorously against membership under the slogans "Europe Yes: EEC No" and "No Say: Say No."

The argument that Wales (and for that matter Scotland) have better chances of achieving self-government within a European Community framework has gone by the board, at least for the time being.

The Blaid is in fact the only group in Wales to have produced a detailed anti-Market manifesto. It rejects continued membership on the grounds that free movement of capital around the Community will damage moves to strengthen the Welsh economy by large scale planned investment and that European Political Union and a directly elected European Parliament would mean negligible Welsh representation. It urges instead the reactivation and broadening of EFTA to include other interested countries, a special trade agreement with the EEC, and associate membership of the European Coal and Steel Community.

In rural Wales, it would also be reasonable to expect that the many small farmers, most of whom probably began by supporting membership because of the potential benefits offered by the Common Agricultural policy, to have become disillusioned by the unprecedented rise in their farm costs and last autumn's ruinous collapse of the beef market.

The beef market fiasco and the subsequent blockade of Irish ports may have been the result of the renegotiating Labour Government's refusal to apply the EEC's beef intervention system while not winning permission for a return to deficiency payments support until the damage was done. But Common Market membership was bound to incur some odium for one of the worst years in Welsh agriculture for a very long time.

The first public hint that Wales is unlikely to be a push-over for the anti-Market forces was perhaps the Westminster division after the debate on the renegotiated EEC terms. To everyone's surprise this produced a majority of Welsh Labour MPs for continued membership. At the same time a number of Labour MPs and trade unionists joined forces in a specifically Welsh pro-Market campaign chaired by Mr. Cledwyn Hughes, the MP for Anglesey and chairman of the Parliamentary Party; though the Welsh TUC, dominated by National Union of Mine Workers and the Transport and General Workers, has come out strongly against.

Startling

But the real eye-opener has been provided by the only public opinion poll so far carried out in Wales on the EEC issue. This showed 57 per cent. in favour of staying in and only 27 per cent. against. As everybody knows, public opinion polls are not infallible. But given that the anti-Market forces were off the mark earlier and indeed created the impression of a monolithic bandwagon, it is a startling result.

Perhaps the reasons for the surprisingly strong pro-Market showing—assuming it is holding—will emerge more clearly as the campaign gets under way in earnest over the next three weeks. But in the meantime, what evidence there is points to a variety of reasons why in the end a majority of Welshmen may, in fact, vote yes.

First and foremost are, of course, the many people who, while they were against EEC entry originally, now feel that since we are in, we might as well stay in. Dark economic clouds are gathering over Welsh industry. Of the 20,000 redundancies being pressed for by the British Steel Corporation, up to 10,000 would be in Wales, out of a total steel workforce of 60,000. Many are bound to reason that this is not the time to indulge in the adventurism of pulling out of the EEC. They know also that many an expansion plan is likely to depend on continued membership: the most notable being Hoover's planned large-scale extension at Merthyr Tydfil. But beyond this essentially negative reasoning are many mainly older people of industrial valleys who took in Socialism with their mothers' milk. They cannot square the anti-Market line with their belief in the international dimension of Socialism and the brotherhood of workers. In any case, with business becoming more international it seems only logical that trade union organisations should also reflect this by operating at a European level.

In rural Wales, too, reports from grass roots, so to speak, indicate that farmers do, in fact, have a much clearer idea of the cause of their recent difficulties than some give them credit for. Naturally, the anti-Market line that withdrawal will allow a return to a cheap food policy holds no appeal for them. Even the pre-EEC entry fear that membership might result in enforced disappearance of hill farming subsidies has been killed stone dead by the adoption of a Community-wide hill policy which underwrites the British scheme to the tune of 25 per cent.

Robin Reeves

North

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The industrial redevelopment of the north of England these last 30 years as it has become imperative to replace old industries and processes with modern and, it is hoped, enduring industrial activities, has not all stemmed from the wisdom and benevolence of Westminster as orators would, from time to time, have us believe. The north has shown a healthy pragmatism in taking steps towards solving its own problems. Many of the major acts of industrial renaissance—and many of the minor ones as well—have involved closer ties with the industries of West Europe on the one hand or the oil-related technologies of North America on the other. The twin spurs of Europe and the industrial contracts stemming from the North Sea have become very important to the well-being of northern industry. Towns, cities, counties, and regions throughout the north have buckled down to improving their local industries by self-help. A network has grown up of professional industrial development officials together with a smaller number of promotional bodies paid for by contributions from industry and local authorities and some government help in the form of grants.

Councillors

It would be hard to find an industrial development officer in the north of England who is opposed to Britain remaining in Europe on professional grounds. Some of them find themselves treading delicately at present, however, if the local councillors they report to happen to have unfurled anti-Market banners.

The biggest and oldest of the northern development bodies, the North East Development Council, which has down the years done a great deal of work to promote trade between the North East and the Common Market, is remaining strictly neutral on the issue as a matter of policy. An official explained the council's professional view that its job will be to make the most of whatever political and economic situation exists for the benefit of the region.

Over in Manchester the North West Industrial Development Association has no inhibitions about taking a positive line on the Market. "NWIDA is very firmly in favour of the Common Market" said Mr. Bert Nicholson, the research officer. "We see it more as an opportunity to solve the industrial problems of the North West than as the only solution."

NWIDA is not organising any promotions but is keeping in touch with Brussels—members and staff are making frequent visits to keep themselves informed. The association has formally reported, "In favouring continued EEC membership it must be emphasised that membership alone will not solve the problems of Britain or the North West. The Community should provide a stimulus to national policy problems for structured change, not an alternative to them."

The Yorkshire and Humberside Development Association, which is supported by the local authorities in its region is highly conscious of the political currents generated by the Market issue and the strong division of opinion among its supporters. Therefore the association has refrained from seeking a consensus among its members to decide a public line by the association. Dr. Iain Skewis, the director comments "My own personal view is very 'pro Market.' Our geography makes Europe the natural trading market for Yorkshire and Humberside."

One is left with a feeling that however heated the national debate on the Market issue may become the people of the industrial north will not lightly overlook the contribution that proximity to industrial West Europe makes to their way of life and their well-being.

Roy Hodson

Property unaffected

DURING 1971 and 1972, at the time that Britain was negotiating to join the Common Market, British property developers "discovered" Europe. Because the two events occurred at approximately the same time, an impression has grown that some connection existed between them. A little closer scrutiny shows, however, that the events were not related. Furthermore a British withdrawal from the EEC would not directly affect the activities of the British property business on the Continent.

The British involvement really has three elements. There are property agents active in most of the Common Market countries with particular strength in France, Benelux and Germany. There are property developers, both large publicly-quoted companies and small operators, engaged in predominantly commercial (as opposed to residential) developments in those same countries. And there are the long-term investors in property — the insurance companies, pension funds, and property bonds—who have followed once again the same trail.

The enterprise and activity shown by these various organisations on the Continent have not been mirrored by any comparable activity by Continental companies in the U.K. True, there have been occasional examples of a Continental construction company winning a contract for a major development scheme—the Dutch company Bredero has recently been chosen to undertake a city centre development in Aberdeen — but the instances are few. Furthermore, continental companies active over here have not generally been engaged in the entrepreneurially testing tasks of site assembly and obtaining long-term finance even though some—the French "promoteurs" for instance — are well-experienced in this field at home.

The discrepancy between British activity on the Continent and European activity in the U.K. is readily explained. In the major Continental countries there existed few indigenous commercial property agents and none of them offered the wide spread of professional services which is the stock-in-trade of the larger British firms. Since in Britain so much land has been in the hands of a few wealthy landowners, there has for centuries been a practice of leasing properties to tenants. Leases require the skills of estate management while the landlords have needed, in addition, professional advice on how to order their property investments to best effect.

The commercial property developer, a familiar if unloved figure on the British landscape, is an altogether rarer bird on the Continent. Many British companies look on property development as an activity which will provide them with a long-term asset in property which they will only sell if, as at present, economic circumstances dictate. On the Continent, the idea of developers holding on to their developments was much less common. Instead, a building firm that might develop a site would normally intend to know the identity of an owner-occupier who would take over the completed property before he started the construction work.

Institutional

Finally, the institutional investor in property was again relatively unknown in Continental countries where owner-occupation was considered the norm.

The crucial point to appreciate is that the most immediate effects of Britain joining the Common Market—a reduction in tariffs and the freedom to take up employment in other EEC countries—had little or no impact on the way the property world was developing.

Indeed the important factors determining whether or not a property development shall proceed — building costs, credit availability, interest rates, demand for new space, availability of long-term funding—are almost totally independent of the present workings of the Treaty of Rome. Each country is still autonomous (or as autonomous as one can be these days) in its monetary and fiscal policies. France, for instance, over the past two years has swung from insisting that foreign developers should fund their developments with locally-borrowed francs to insisting that they import funds to do so. Such decisions owe nothing to Brussels but a great deal to French economic interests as perceived by local politicians.

At present property development is at a low ebb throughout the Common Market countries, a reflection both of the huge supply built up during the boom years of 1972 and 1973 and the relative stagnation in the West European economies. In the eyes of the British property man, the significance of a British withdrawal from the EEC lies mainly in what would happen to economic growth in Britain and in the remaining Eight as a result—and what would happen to the exchange rate for Sterling. On both points, industry leaders are quite clearly apprehensive unless, like the industrial developers Mackenzie Hill or the English Property Corporation, they have a larger portfolio of properties outside the U.K. than within it.

There is another more subtle and less tangible cause for worry too. If the British show themselves willing to abrogate a Treaty signed "for all time," the attitudes of Continental businessmen towards the British who work on the Continent may well change from acceptance to vocal hostility.

John Trafford
Property Correspondent

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Shipping in favour

THE BRITISH shipbuilding and shipping industries have not been affected to any considerable extent by Britain's entry into the Common Market. They are both industries operating internationally in extremely competitive markets and no clause in the Treaty of Rome so far has affected this state of affairs.

In the shipping sector, U.K. shipowners showed little enthusiasm one way or another when the U.K. entered the Common Market two years ago. The attitude then was that shipping was an international industry and that there were already close connections with European shipowners within the numerous shipping conferences and also through the International Chamber of Shipping.

Now, however, U.K. shipowners see membership of the EEC as being much more important, in effect, as members of a "club" which must oppose the move by developing countries to discriminate in favour of the national flag ships carrying their cargoes. The recent UNCTAD resolution, proposing a "40-40-20" shipping trade under which the flag vessels of two countries trading together would share 80 per cent. of the trade, with "outsiders" competing for the remaining 20 per cent., could destroy much of the trade of British and European shipowners who specialise in the "cross trades"—in effect common carriers with no national base in the countries where they serve.

This convention needs the agreement of a number of countries before it becomes effective and the traditional maritime nations are convinced that their governments will not ratify it.

Early this month Mr. Tim Bolton, president of the General Council of British Shipping—the voice of the U.K. shipping industry—said that before British accession to the EEC in 1973, "we had, after two years' study by a committee of shipowners representing every branch of the industry, concluded that the balance of advantage and disadvantage for British shipping entry was pretty fine but came down in favour of joining."

Now, said Mr. Bolton, the circumstances were very different. As a spokesman for the industry he declines to pronounce on arguments about sovereignty, but stresses: "The effects of withdrawal from the EEC on this country's economy and, therefore, on its foreign trade would be very damaging. In both respects British shipping would be hurt, even though we as an industry are tied neither to our own domestic market nor to that of the Nine."

There was a direct connection between the strength of the British economy and the prosperity of British shipping. The U.K. economy and its trading strength would suffer by withdrawal from the Common Market. "So, too, would British shipping directly or indirectly," says Mr. Bolton.

The British shipbuilding industry also has not been, and does not expect to be, affected by membership of the Market. There are no tariff barriers in the shipbuilding world but within the Treaty of Rome there are clauses promoting a general run-down in shipbuilding subsidies.

Nationalisation of British shipbuilding does not contravene the Treaty of Rome and, since most of the major U.K. shipbuilders are in regional support areas, "there is a clear escape route for direct support, or subsidy," says one British shipbuilder, even though there is nothing in the nationalisation Bill that gives the Government powers to subsidise the industry.

U.K. shipowners, however, are apprehensive about the possibility that a nationalised shipbuilding industry, in a period of little work and intense competition in a world industry of overcapacity, may be their only shipbuilder. "As an international industry we must order our ships in the cheapest markets," said one leading British shipowner. "If we were forced to place our orders only with British yards at prices which are uncompetitive we stand to lose in trades which bring into Britain a large part of our 'invisible' exports." Any move by a British Government to force British shipping orders into U.K. yards would certainly contravene the Common Market Treaty.

As the world shipbuilding orders books are run down during what appears to be a lengthy recession, competition for the new contracts available will intensify. Charges have already been made by U.K. shipbuilders that Japan is "dumping" new tonnage on the world market at prices which are only 60 to 70 per cent. of prices quoted by British and European shipyards.

This charge has been hotly denied by leading Japanese shipbuilders but if it proves to be true the British industry, although it would try to mount a common front with Continental and Scandinavian shipbuilders, obviously would be reassured if the U.K. in the years ahead was still a member of the EEC so that they would have the backing also of a united European governmental front.

Common Market shipbuilding policy at present is far from common. In a survey of the Nine's shipbuilding industries H. P. Drewry (Shipping Consultants) said that EEC policy directives so far have three incompatible aims: to modernise EEC shipyards; to reduce national subsidies; and to safeguard shipbuilding employment. This last aim, as the survey rightly points out, is the most politically sensitive and is irreconcilable with the first two objectives.

James McDonald
Shipping Correspondent

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Steelmakers need strong nerves

THE NINE members of the European Coal and Steel Community are now expected to produce not more than 140m. tonnes of steel this year, compared with 156m. tonnes in 1974. The utilisation of capacity among them varies between 40 and 80 per cent. at present and profits are said to be non-existent. On April 1 this year Community steel prices were 40 per cent. below last year's maximum price levels.

This is obviously a time for strong nerves among the individual producers and a testing period for the ECSC institutions. So far, although there has been plenty of evidence of strain, the ties have held.

Nevertheless, over the last few months the U.K. has been less than flattering about the prices charged by West German steelmakers, in particular, and some of the other Continental producers in the British market.

And the French steel industry wanted the European Commission to go as far as declaring a state of "manifest crisis," which would have allowed production quotas and minimum prices to be fixed, but this request for short-term help to counter the recession was turned down.

Instead the Commission decided earlier this month to set up a monitoring unit under which Common Market steel companies would be asked to report all new orders, prices and monthly production. In this way—and there are provisions in the ECSC treaty obliging companies to provide such information if it is requested—the Commission will be in a position to base any decisions that may prove necessary on sufficiently reliable data.

Forecasts

The Commission has also begun an urgent revision of its present forecasts for the steel industry this year in order to provide companies with better guidance on the market situation.

The basic argument of the Commission is that the present crisis is essentially short-term, falling into the normal cyclical pattern, and that it would be wrong to respond too quickly to appeals for help which would involve imposed restrictions.

There has been support for this cautious approach from some of the Continental producers, who believe that the market has now bottomed out. Certainly, strenuous efforts are being made to get third country export prices up, supported by fairly rigorous production cuts. Other steelmakers, including those in the U.K., do not see any real improvement in the demand "atmosphere" yet, however.

It may seem a contradiction, but one of the theories which has been expressed on the reason for the Commission's decision not to press ahead with import and price controls is that it may have been reluctant to flex its muscles in an area of policy where the British Government is very sensitive and where anti-Market capital might be made out of bureaucratic "interference" during the U.K. referendum campaign.

The contradiction lies in the fact that the U.K. steel industry, and particularly the British Steel Corporation, would have as much to gain from the declaration of "manifest crisis" by the Commission, and controls, as any other country and more than most.

Imports have come into the U.K. at an alarming rate so far this year and at prices which are below those charged by the BSC, which has tried to keep to its list prices despite the temptation to cut back in face of competition.

In this sense, it could be argued that the ECSC has failed in what must be one of its primary tasks, that of ensuring some form or orderly marketing, at least between member countries.

On the other hand, it could equally well be argued that the fault lies with the BSC, in that it has not responded with sufficient flexibility to market conditions.

For the most part, however, the nationalised British Steel Corporation and the private sector members of the British Independent Steel Producers' Association are very well satisfied with the benefits they have gained from membership of the ECSC.

In particular, although this is obviously not a good time for them to shout about it, they feel that membership of the Community has freed them from some of the worst effects of c trol by the U.K. Governme particularly in the prices fi

In theory, national Gove ments are not allowed to sul dise their steel companies un the ECSC rules. This may pr important during the pres debate between the BSC the U.K. Government over Corporation's plans to cut co

For example, if the BSC prevented by the Governm from doing anything to red its costs by a reduction in n power, and runs up a de which could be as high £200m. as a result, other m bers of the ECSC could ar that this constituted a forn subsidy.

Increases

Equally, if the loss-mal BSC granted inflationary increases to its employees be bailed out by the Gov ment, this could also be sai be a form of subsidy.

To a very real extent, th fore, the rules of the E could be used by both pu and private sector steel inter in the U.K. to ensure that are given more freedom by Government to manage own businesses.

Surprisingly, however, it not this effect of being par the Community which ca the present Government con during the renegotiations preparation for next mon referendum.

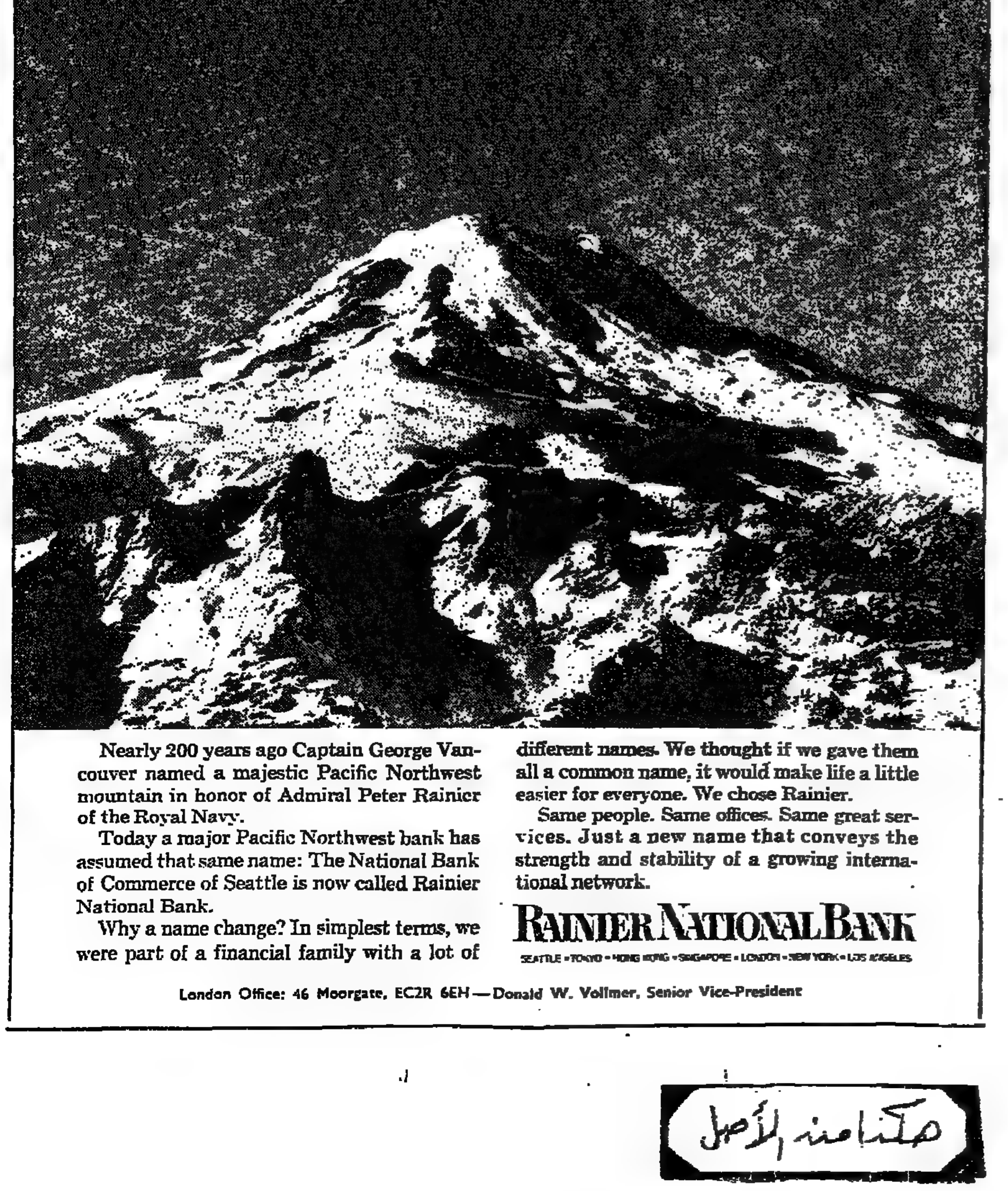
The main problem, as Government sees it, is under the ECSC rules it lost its powers of direct con over investment in the pri sector, though not, of cou in the much larger pu sector.

All this has meant so fa that one company, Greek-ow cannot be prevented from b ing a new mini steelwork South Wales, which will on a supply of ferrous which may run short from to time.

Nevertheless, the princip considered important enc for the Government to be d mined to sort out this ques of investment control after referendum if, of course, U.K. remains a member of Community.

Harold Bol

The National Bank of Commerce of Seattle is now Rainier National Bank.



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Aerospace teamwork

THE U.K. aerospace industry has been a dedicated adherent to the principle of international collaboration for many years, and to-day a majority of all its activities in the civil and military aircraft, aero-engine, missile, and space fields, is based upon the sharing of costs and expertise with other companies on the Continent. The Concorde and the European Airbus, the Multi-Role Combat Aircraft, the RB-199 engine, the Jaguar jet strike-trainer, the Puma, Gazelle and Lynx helicopters and the Martel guided missile are some of the major collaborative ventures that come to mind. But these represent only the tip of a collaborative iceberg that penetrates deeply into the industrial aerospace life of the U.K. and Western Europe, with an almost bewildering array of commercial licensing agreements and other arrangements involving even the smallest of components.

Expertise

While in the past there has been some feeling in the U.K. industry that too much of the collaboration has been one way, with the view sometimes expressed that the U.K. has been giving away too much of its technological expertise for too little tangible return, it has to be accepted that with costs, and in some cases also the complexity, of modern military and civil aircraft and engines continuing to rise, collaboration is the only secure way of achieving successful development and satisfactory market returns. In fact, it is now accepted by most senior executives in the industry that for any one country, let alone any one company, to embark upon a major venture by itself, without the security of shared costs and extended markets that international co-operation can provide, is virtually to court failure.

It is not going too far to suggest that had the Hawker Siddeley HS-146 feeder-liner jet been started on a much wider collaborative base than it was, nothwithstanding the initial U.K. Government injection of substantial financial support, it might not have fallen by the wayside as it did. If any lesson at all can be drawn from that affair, it should be that the "go-it-alone" philosophy is dead, except for the smallest ventures that can be encompassed within the budgets of a single company, and even then only with some Government financial aid.

Even the latter projects are not immune from the vicissitudes of rising costs. The post-war landscape of British aerospace is scarred with the debris of companies and projects that ran into this problem, and most of the mergers and the collaborative ventures of the past 20 years have stemmed from recognition of the need for stronger partnerships.

To-day, this trend is being taken even further, with pressure growing for the development of a much more tightly-knit European aerospace industry to meet the increasingly difficult conditions in world markets and especially the toughening competition from the U.S. Especially, this move towards the creation of a smaller number of stronger aerospace units in Western Europe is directed towards redressing the current imbalance in the supply of civil aircraft to the home market, where at present more than 70 per cent. of all civil airliners are bought from the U.S.

For these reasons, the leaders of the U.K. aerospace industry are anxious to see a "Yes" vote in the forthcoming referendum, for they see in this the only way in which they can continue to exploit the undoubted advantages the U.K. industry has as the biggest single aerospace industry in Western Europe. While it is obvious that a "No" vote and a subsequent withdrawal from the Common Market is not immediately going to cause the collapse or demise of existing collaborative programmes (all of which are already too far down the road for that to occur) it would certainly make it much more difficult for the U.K. to participate in any future ventures that the European industry might want to start.

Clearly, also, the U.K. industry would not be totally isolated. Its technological expertise and the sheer scale of its resources, even if nationalisation and rationalization should occur under the present Government's plans, would be bound to mean that its views would be considered and even some of its products, especially aero-engines, ordered by the Europeans.

It might even be the case that the West European aerospace industries would still seek to woo the U.K. to some extent, fearful that once out of the EEC it might be driven to join more closely with the U.S. camp—a move that would effectively destroy any European chances of ever building a significant competitive industry on this side of the Atlantic.

Ventures

But any U.K. withdrawal from the EEC would also be bound to start a subtle process of change in the whole pattern of world aerospace affairs. It could hardly fail to do so, in view of the U.K.'s position as the third largest industry after that of the U.S. and the Soviet Union. Just where that process of change would lead, no one at this stage can clearly see. But it could be that the U.K. itself would be forced to seek new arrangements and collaborative ventures with countries elsewhere, notably the U.S.

For the fact is that, outside existing collaborative prospects such as Concorde and Airbus, the U.K. has no indigenous major civil aviation ventures of its own, and in the light of the HS-146 affair it seems doubtful whether it could finance new projects entirely on its own, even with a substantial measure of Government launching aid granted under the cocoon of nationalisation. It would need some collaborative base from which to operate.

All these factors in the situation appear to have been recognised by many of the leaders in the industry, which is why they are in favour of staying in Europe. They see valid reason why a collaborat pattern built up at expense in time, money resources should be politic disrupted in any way, and would prefer to be left alon get on with working out future pattern of U.K. European aerospace.

This attitude is also dir related to the other U.K. do tic political difficulty they —that of nationalisation enforced rationalisation—wl they regard as a waste of t energy and resources wl could and should be be employed on the wider tas determining work program for the future. It also appears that many of workers in the industry, hitherto have regarded bo "No" vote in the referen and nationalisation as answers to the industry's p lems, are beginning to rea that neither conclusion is ne sarily the best solution.

Membership of the Euro Community, so far as the aerospace industry is concer provides a convenient mean ensuring that the U.K. in try has a major voice in happens in the reshaping European aerospace over next decade, with or wit nationalisation—although in the industry feel it woul able to work more freely Europe without the shackle State control. Withdrawal f the EEC could only creat best a situation of gr uncertainty as to the fut and at worst an almost di trous restriction on the industry's field of manoeuvre the difficult conditions that ahead.

Michael Dou
Aerospace Correspond

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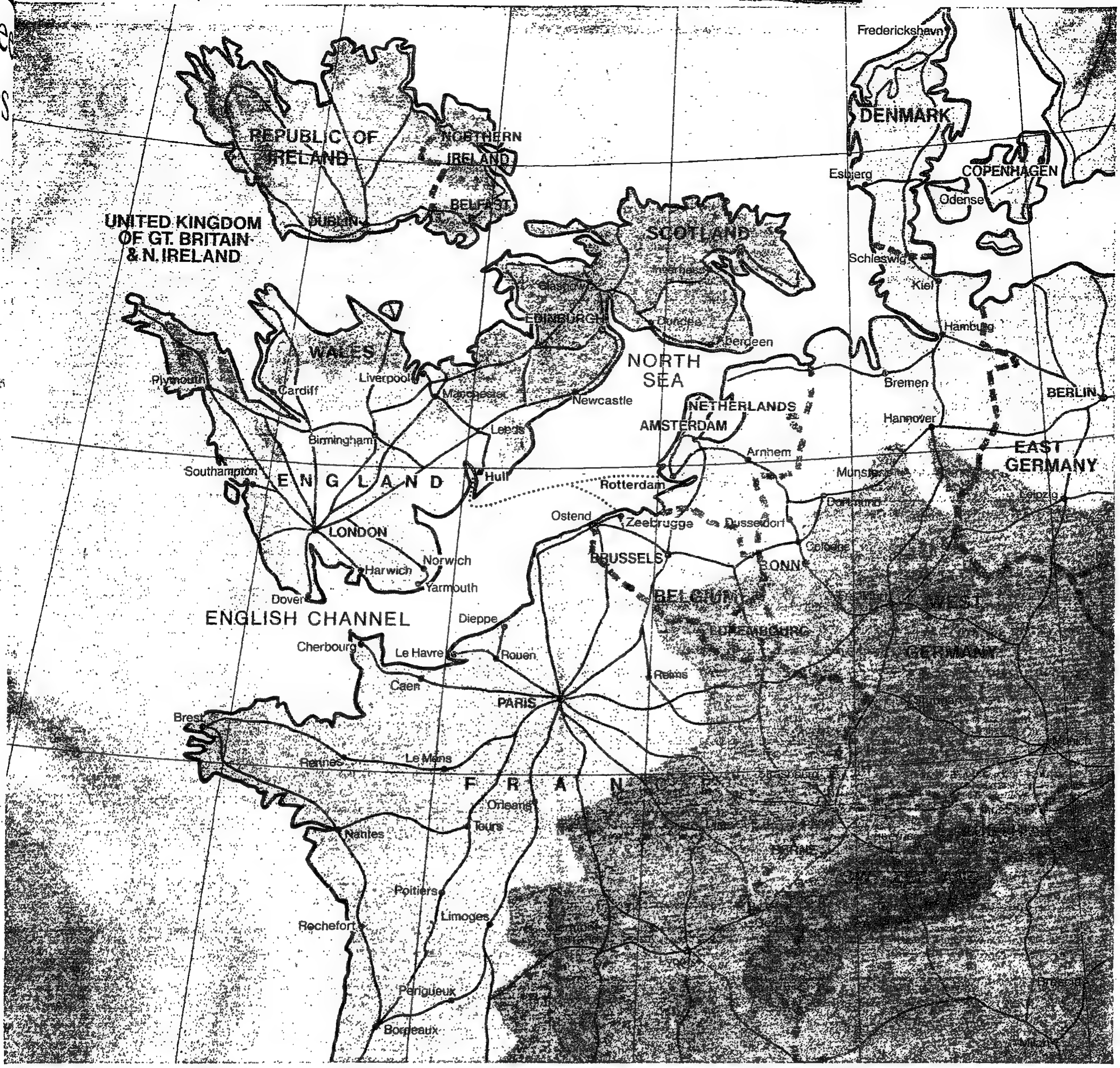

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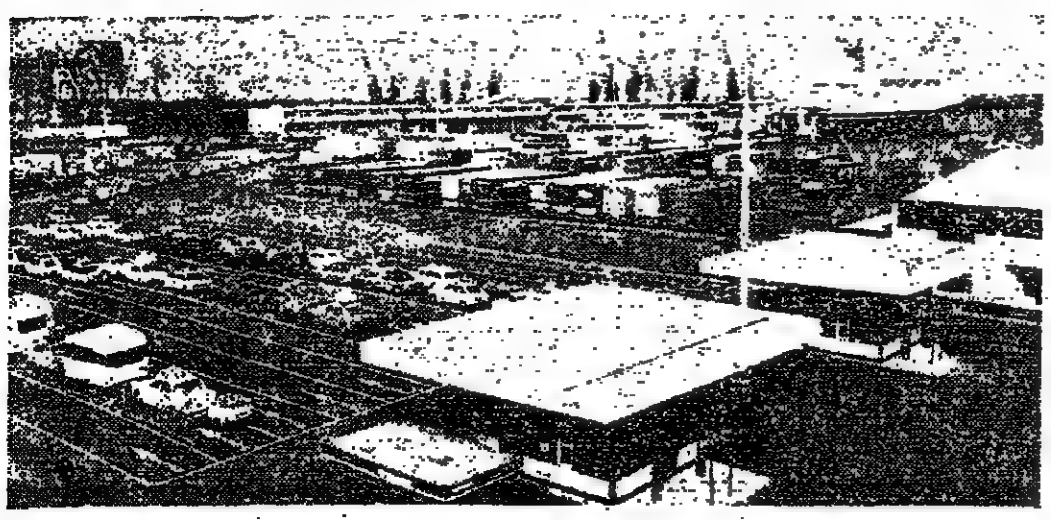

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Major challenge for motors

THE FIGURES on the U.K. motor industry's trade with the rest of the Common Market present what looks like a cast iron case for the anti-marketeers. Since entry, the trade balance has slumped heavily against Britain, and in car exports the U.K. share of nearly every major market has fallen back. Yet the British car assembly and component manufacturers are standing squarely behind the European ideal.

This is not as paradoxical as it sounds. For one thing, no one in the industry expected immediate benefits to flow from entry. Indeed, there was general acceptance back in 1973 that in the early stages EEC membership would mean a certain amount of slippage against the rest. The original Six, it was argued, were already well geared up on a Continental basis, and had a sound base from which to extend into another market. The U.K., on the other hand, was still a learner in Continental terms.

Secondly, a combination of factors led to a weaker performance than expected overseas by the British industry. It is calculated that some 1m. cars were lost through stoppages of one kind and another over the last two years — many of which could have been sold in the then boom conditions, and therefore must be accounted firm losses.

The result of this has been fewer cars to sell on the Continent, and a still further slump in credibility because of late supply problems.

It has also meant a greater opportunity for foreigners in the U.K.'s own market. The big stimulus given to the British economy by the last Conservative Government, while creating unprecedented demand for cars and the biggest sales in history, only served to exacerbate this situation. During this period importers from the Continent (as well as Japan) were able to consolidate the strong dealer networks which are serving them so well now.

These setbacks, however, have not deflected the main thrust of the motor industry's enthusiasm for Europe. This is founded on the size of the market, which is regarded as a potentially strong and broadly-based region from which to attack other large economies such as the U.S., Russia and the Far East. The U.K. alone is too small to justify the same degree of investment that can be measured against a much larger market.

Much of the strength of this argument rests on predictions of growth within Europe. Historically this has been more vigorous both in general terms (an annual rate of growth of 3.6 per cent. in the Six comparing with 1.6 per cent. in the U.K. over the last decade), and for the motor industry, which was not subjected to the curbs imposed in Britain in the late 1960s.

Sanguine

It is notable, for instance, that the Ryder report on British Leyland takes a much more sanguine view of expansion in Europe as a whole (26 per cent. up on present levels by 1985) than in the U.K. (where it expects a static market in the early 1980s), or the U.S. (another relatively static market).

These predictions conform with the general view of economists in the industry, who see Europe still lagging well behind the U.S. in terms of cars per person—and thus some way away from "saturation" point—while its GNP is still growing. Some additional force is lent to this argument by the present resurgence in Germany, but it could, of course, be unsettled at any time by such unpredictable events as the oil crisis.

Given reasonable economic stability, however, there is no reason why the U.K. should not improve its performance in Europe. Indeed, it has achieved more car sales in the EEC in the past (245,000 in 1972) than it did last year (183,000), so the grounds are there for hopes of considerable improvement.

What has happened since the Community was expanded has been just what the industry's economists suggested—an all-round growth of trade between the U.K. and the rest, but with imports growing much more rapidly than exports. Back in 1960, for instance, Britain exported £92m. worth of motor products to the EEC and imported £28m., giving a favourable balance of £64m. By 1968 it was exporting £215m., and importing only £91m. But in 1973, with exports of £337m. it had a deficit of £52m., and by last year this had risen to £70m.

However, if car sales had improved in step with the progress in other sectors, there would have been no unfavourable balance: car exports slumped from £110m. in 1973 to £84m. last year. In contrast, commercial vehicle sales went up by £11m. to £52m., parts and accessories by £45m., to £265m., and other motor products by £21m. to £90m.

These sectors are now showing far more strength than car manufacturing in Britain. Companies like GKN, Lucas and Automotive Products have shown that technologically t can compete with the best Europe, and that their comm cial organisation is m stronger than average. effect of EEC membership been a swift expansion both exports and overseas operati and withdrawal would be bitter blow—which might w be accompanied by grea concentration of investment the larger Continental mar

As for built-up cars, ther no doubt that a huge challe awaits the British industry Europe. Over the last fiv ten years the U.K. pro overall has become less st tive than its Continental petitors. But this does detract from the point—n strongly in the Ryder repo that the Continental ma could absorb more Br vehicles, and is ideal for at both because of its pote growth and convenient loca

Terry Dodswo

Chemicals deficit

IN THE past 10 years or so there has been a marked shift of emphasis in the chemical industry's overseas trading, away from the traditional British Empire and Commonwealth markets towards the Continent. Mr. Robert Malpas, immediate past chairman of ICI's Europa Division and now a main Board member has likened the change of attitude in his own company to that of a "cultural revolution."

It was, perhaps, inevitable that the change should come sooner or later. After all, the Continent represents one of the world's most important chemical markets, where chemical manufacturing is the largest industry after engineering.

At the bulk chemicals-producing end of the industry companies must think big. Current economies of scale dictate that major plants—whether they be for ammonia or ethylene—must be of "worldscale" size. That can mean an investment of over £100m. in the case of a naphtha cracker.

The industry, emphatically behind Britain's membership of the EEC, points out that even with sales of £8bn., its market is not large enough to justify many of the investment projects envisaged.

The world petrochemicals conference in London in February was given some indication of how much the U.K. could benefit from its retained link with the EEC coupled with its own supplies of North Sea oil, a valuable source of petrochemical feedstock. It was envisaged that the U.K. production capacity for ethylene—one of the most important chemical building blocks—could grow from the existing 1.5m. tonnes a year to 4m. tonnes a year by 1985. In comparison, the growth of the West German and Austrian ethylene producers might be in the region of 62 per cent.; that of Benelux and Northern France by 71 per cent.; and of Southern France and Italy by 111 per cent.

It is unlikely that British companies could, or would, carry out this level of domestic investment by itself. Overseas companies must be attracted to invest and they will only do this if they can be assured of an adequate and secure market. A straw poll carried out by the Financial Times among major U.S. companies last year indicated that doubts about Britain's continued membership of the EEC was a definite constraint on investment planning. They emphasised the attraction to U.S. companies of building plants in the U.K. (a common language was mentioned as an important factor) provided economic conditions were right and the wider European market remained open to them. Esso Chemical, one of the major U.S. investors in Britain, exported almost half of its sales last year, for instance. More impressively, between 80 and 90 per cent. of its aromatics products, was exported.

Exporter

ICI, Britain's major chemical company, emerged as the country's top exporter last year, largely because of its positive drive into Europe. Back in 1960, when the drive began, the company had virtually no factories on the Continent. Instead it had about 300 selling agents. These have been replaced by national companies in 15 countries. These manufacture on their own behalf as well as provide a marketing and servicing vehicle for ICI's general product range.

In one of its "considered statements," the Chemical Industries Association take this point about exports. Br exported some £799m. wor chemicals to the other members last year, 37 per of all chemical exports—a massive 675 per cent. inc on the position 10 years ea On the other hand, expor North America had rise 470 per cent. and to the Ste area by 161 per cent.

According to the Econ Intelligence Unit the chemical industry is with a "serious running or trading deficit with the Although the industry's tra balance improved by 50 cent. last year, it pointed the deficit with EEC coun trebled to £109m.

There were special re for this, however. British c cal manufacturers found t selves unable to meet the level of demand; as a r British industry in general forced to import at the prices then reigning. Chemical Industries Associ uses this state of affairs to light the importance of re ing a large marketing bas order to attract the neces investment already seen or Continent.

Ray Da

Textile industry

FOR ALL its well publicised problems, in European terms the British textile industry remains highly significant. Though the image of a dying industry clings Britain has four out of the five biggest textile groups in Europe in Courtaulds, Coats Paton, Tootal and Carrington Viyella, and in employment Britain's textile industry is, with that of Germany, the largest in Europe. On the most recent figures available, Britain accounted for 22 per cent. of the Nine's total exports of textile products to third countries and 38 per cent. of imports—in both cases much higher than Britain's share of Community GDP. On top of this the British industry has continued to be responsible for many of the most important technological innovations produced within textiles in recent years, and in some product areas—notably top quality menswear—enjoys an outstanding international reputation.

For all these reasons the view the textile industry takes on the importance of continued EEC membership is significant, and perhaps surprisingly in an industry which is really not one industry at all but a host of different trades it has been remarkably unequivocal. Lancashire and Yorkshire, Leicestershire and Scotland, trade unions and employers have been consistently in favour of obtaining, and now of retaining, membership.

The arguments which the industry's leaders have put forward to Government include those stressed by other industries — greater opportunities available in a larger and more dynamic market, the opportunity for increased co-operation in research projects, and access to Community funds, but in textile's case other important considerations are also at work.

Imports

The main problem affecting the U.K. industry and its labour force of nearly 1m. has been the remorseless growth of low cost imports into the U.K. And although measures are being pressed on the Government by the British Textile Confederation to curb the flow it is recognised that textiles will always be favoured by countries seeking to industrialise.

The future role of the textile industries in developed countries is likely to be in providing higher quality goods, incorporating a stronger fashion and design element. It is for these more sophisticated products that the wider home base will be required. And although it is possible that outside the EEC the U.K. could negotiate a free trade area with its former partners the industry regards this as very much a second best, with various non-trading barriers making life more difficult for U.K. producers in Europe.

Of more immediate concern to the U.K. textile industry, however is the assistance which the EEC can give the U.K. in dealing with present very high import levels. Under a new international agreement, the GATT Multi Fibre Arrangement, all developed countries have agreed to accept more textile imports. Within the EEC, however, a separate agreement has been reached between the member states which will enable the burden of imports—which now falls much more heavily on the U.K. and Germany than on the other members—to be distributed more fairly in future. Outside the EEC the burden-sharing formula could no longer apply, with the result that Britain would either have to increase its quotas with the risk of serious disruption to sectors of the domestic industry or adopt *protectionist policies* and court retaliation.

Inevitably, however, there is another side to the coin and the first two years of membership has produced problems as well as potential advantages. Britain has been obliged to open its doors to imports from EEC associate countries and because of a surge in imports was forced before Christma limit imports of Turkish Greek cotton yarn. burden-sharing agreement also make it necessary Britain to accept a bigger s of imports from some coun which now supply mainly tinental markets such Yugoslavia.

Britain's industrial diffic at the start of last and fear of shortages als sulted in a surge of im from EEC countries a worsening of the U.K.'s d in textile trade with the Another factor in this ironically the conti buoyancy of textile tradi the U.K. throughout last This weakened export ma for British goods on the tinent and led to a dive of goods from those ma into the U.K.

There remains also the lem that the retail sector U.K. tends to be much concentrated than in most European countries mak possible for importers to a a rapid penetration much easily.

The industry remains vinced, however, that initial disadvantages become less important, the potential advantages become more significant, Britain becomes a member of the Communit

Rhys D

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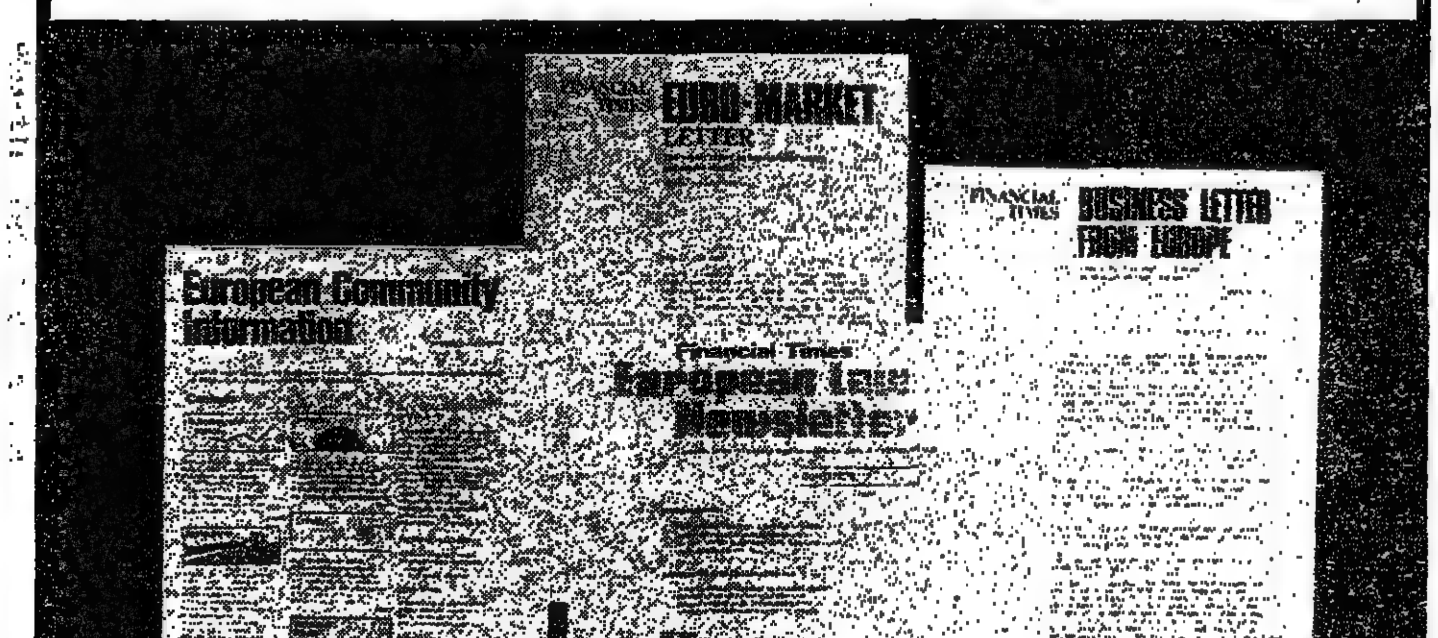

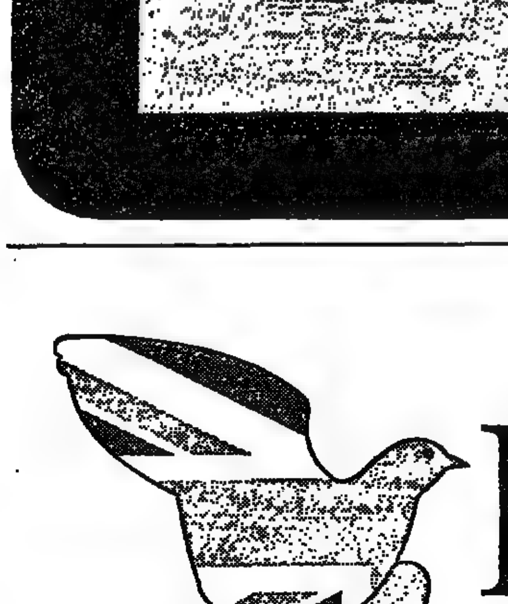

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Overseas sales of British television series, now running at the rate of $40m. a year, rival those achieved by the U.S. **Arthur Sandles** reports

A cash lifeline for British television

FEW weeks ago there was headline in the American aow-biz newspaper, Variety, to ladden a few sinking British earts: "Brit. Catching U.S. In 'Seas TV Sales Race," it declared. Both countries are unning at around $40m. a year n the export of their television rogrammes. The U.S. had the dge slightly last year, but ritain promises to take the ead in 1975.

For British television this is valuable lifeline. With commercial television advertising evenues having been a little ad during the winter months—lthough reviving recently—and he BBC constantly complaining bout its lack of cash, the profits which are flowing in as a esult of foreign sales are more han valuable: they are essential. And sales are fairly evenly distributed. The BBC, whose Enterprises division operates under Mr. Peter Dimmock, has just produced £4m. gross from sales of programme exports in the last financial year.

Sir Lew Grade's ATV beats that, perhaps even doubles it, but ATV has a habit of making programmes with the world market in mind, while the BBC claims that this is certainly not the case. Most of the commercial majors have considerable success in the export field and even some of the smaller companies, Anglia for example with its Survival programmes, derives valuable overseas revenue.

While much of world commercial activity is, to say the least, sluggish, at the moment, sales of television programmes are as lively as they have ever been. Throughout the world television companies are hard pressed for cash, and with foreign-finished products costing a great deal less than domestic production, there is a degree of temptation to look elsewhere. The International TV Productions Market in Cannes this year (MIP-TV) was more bustling than ever and is each year growing more like an international motor show with Mr. Dimmock proudly announcing his sale of "David Copperfield" to the Russians and London Weekend delighted with the disposal of "Upstairs Downstairs" to Saudi Arabia.

Limitations

Whatever impression this might give of the British way of life it does wonders for the televisual balance of payments. Britain has very severe limitations on the amount of material it imports. This is partly regulatory—and probably illegal under the Treaty of Rome—and partly cultural. The British public is simply not keen on dubbed material, and while the rest of Europe enjoys a diet of "On the Buses" translated into Dutch and German, the British themselves generally relegate foreign products to off-peak times on BBC-2.

However, Britain's success at the moment is being achieved in what remains a buyer's market. The two or three channels that most countries have are faced with offerings from 50 or more nations which produce television material and can pick and choose. For the past couple of years, however, the British have had something which most television companies need desperately—long-running, high-quality, audience pullers. Once a viewer is hooked on the "Pallisers," or "Edward VII," he is likely to be a regular for several months, and both programme companies and advertisers are well aware of this.

Unfortunately, with the possible exception of the U.S. market, this does not seem to have affected the payments received by programme makers for their product. These have changed very little in the past decade. The most that a programme maker can still expect from a real block-buster of a series outside the U.S. would be around $40,000 an hour (settlements are more often than not in dollars). A spectacular U.S. success which had the support of a big sponsor might get four or five times that amount.

Britain's image abroad: "Upstairs, Downstairs," the London Weekend television programme sells well overseas, and recent buyers include Saudi Arabia and Iran.

The rates bear little relationship to the apparent prosperity of the nation, or the size of its audience. They are simply what a seller can squeeze from the buyer. There are, however, some broad guidelines. Austria will pay foreigners about $400 for a half hour episode, Mexico $700, Uganda $25, and Britain upwards of $3,500. The biggest markets in money terms internationally are the U.S., Britain, Canada, Germany, Japan and Australia in that order. There are some odd anomalies—the Russians are said to pay half the price that East Germans will for television shows, and oil-rich Kuwait still only pays much the same as struggling Jamaica (about $60 per half hour).

Many of the smaller markets are about to see themselves struck off the selling lists. Haiti, Nicaragua, Kenya and Gibraltar have all been paying as little as $30 per half hour for some of their imported television material and exporters in both the U.K. and U.S. are questioning the sheer cost of administration and distributing the prints.

Mr. Dimmock talks of "rationalising" the BBC television sales areas and concentrating on those which are actually profitable. Mr. Richard Price, who heads a marketing agency bearing his name and acts for London Weekend, Grampian and Westward abroad says: "We are all doing this. We have to. We have to tell people who are paying as little as £10 for a half hour's television that we cannot afford to carry on subsidising them in this way."

Although there are some signs that trouble may be on the horizon most of the companies insist that the export future is as bright as ever. The danger is that many of the programmes which are selling well to-day are those which were planned during the balmy days of the early seventies when money was flowing into the television coffers. Mr. Dimmock is convinced that he can double BBC TV sales abroad fairly quickly, but even he is having artificially to package 26 week series by linking programmes with a generic connection, in order to make a sale.

But this is not likely to be a major trend. Mr. Dimmock says that there is no sign of a fall-off in the standard of BBC product and the same argument is put forward by his commercial television rivals. Sir Lew Grade, who reckons he will gross $6m. internationally from his "Edward VII" series this year, intends spending at a high level. His $7m. science fiction series, "Space 1999," which is seen in many quarters as a much needed successor to "Star Trek" will be launched both here and in the U.S. next September.

Such is the state of television revenues at the moment that Sir Lew acknowledges that "I cannot spend that sort of money out of U.K. network income" and has to bank on foreign sales before he can go ahead. The BBC claims fiercely, of course, that it does not look abroad before making a film and simply hands Mr. Dimmock the product to sell without any pre-consultation. He, however, is considering the possibility of commissioning television products from the BBC itself for sale abroad and which the Corporation would then have to buy from its Enterprises division as well.

Mr. Richard Price is also optimistic that the product will continue to flow. "LWT will concentrate on quality rather than quantity, I think." If that proves to be true there should be no fall-off in sales, because there is already an abundance of product and a reduction in the amount will not affect the market in the same way as a fall-off in standards might.

The great strength of U.S. television is the filmed drama series of the "Hawaii Five-O," "Kojak" type which has hardly been seen in Britain since the days of the "Avengers." ATV has long been tempted by this market and has had one or two attempts with mixed success. Now Sir Lew is contemplating another bid with a series called "Squad X" which would be based on the operations of an Interpol unit (however unlikely that might be) in Europe. He argues, incidentally, that British television is selling abroad not necessarily because U.S. product is worsening, but that ours is rapidly getting better. "People do not notice how much better television is to-day. If they see something a few years old they say 'Did we actually like that?'."

If foreign sales are maintained then there will be relief all round, because at the moment television is going through a spell of uncertainty. Advertising revenue for the commercial companies is flowing in considerably faster than anyone had expected, or even hoped. In the first three months of this year revenue was up by 19.4 per cent. on the same period of 1974, bringing the total to more than £35m. If that pace were to continue the companies would be in a somewhat happier position than most of them were predicting last autumn. However, the cut-backs are continuing, with early closing and late starting being the most obvious indications to the general viewer.

Discreet

Less obvious, for the moment at least, is the greater reliance on repeats. To some extent this is hitting the advertising ancillary operations more than television itself. Advertisers are getting their commercials have slightly longer life these days, and the units which make the advertisements, often employing highly paid film industry staff, are having a thin time.

ITV, with its federal system and diffused commercial performance, can be much more discreet about its money-saving activities than the BBC. The Corporation's additional £6 on the colour licence fee may have seemed a great deal in January when it was applied and when it was said that it would last for at least two years and perhaps three. Now, however, it is beginning to look a bit limp with inflation at its present pace. The Corporation was in trouble with the Government last autumn for a 20 per cent. wage rise which, it was said, breached the social contract. Now weekly paid employees are likely to seek 30 per cent. when their agreements end in June, and the monthly paid staff may not accept less than that for their October settlements.

Perhaps soon it will not be able to import as many of those foreign programmes as it now does.

Letters to the Editor

Commodity prices

From Professor H. Singer.

Sir,—I refer to "The Search for market stability" (May 6). In this article you object to the indexation demanded by developing countries but apparently rejected by Mr. Wilson in his proposals to the Commonwealth Conference in Jamaica. You support Mr. Wilson on the grounds that "there would be endless disputes about the base period from which parity prices were to be calculated."

May I point out that a logical error seems involved here. Indexation may be a good thing or a bad thing, and so may be the fixing of minimum or maximum or agreed long-term purchase prices contained in Mr. Wilson's proposals. If however minimum or maximum or agreed prices for individual commodities are accepted, there is no further distortion or "ossification" involved in putting these prices on a real basis by tying them to some agreed index of manufactured prices imported by the developing countries. Indeed in an inflationary era one cannot really expect producers of primary commodities to tie themselves to any money prices without some kind of protection. Far from provoking "endless disputes" indexation in this case would in fact avoid such "endless disputes." Endless disputes about adjustment would be inevitable if some kind of indexation is not accepted.

I repeat that this is not a substantive argument in favour of indexation or any other commodity policy, but it is an argument for stating that, if price fixing is accepted there is no basis for resisting indexation. Indexation should be treated as a negotiable issue, as indeed, I presume is also the British official position.

H. W. Singer.
Institute of Development Studies,
University of Sussex,
Andrew Cohen Building,
Falmer, Brighton.

Electoral reform

From Mrs. H. Derrick.

Sir,—As a long-standing member of the Electoral Reform Society I was delighted to read Mr. Rogaly's article (May 5). I think Mrs. Thatcher has too much sense to attempt to "go it alone" remembering what happened to Mr. Heath when he tackled the unions head-on, as any Tory leader would be bound to.

The argument about reducing the link between MPs and constituents in multi-member constituencies is, to my mind, fallacious. People would rather take their problems to an MP they had voted for and would do so, as now, by writing to the House of Commons, since "surgeries" are only convenient for towndwellers, in general.

H. M. Derrick.
The Change, Randwick,
Stroud, Glos.

Allocating seats

From Mr. H. McMaster.

Sir,—Proportional representation seems to me to be so simple of accomplishment that I am surprised no one appears to have put forward a simple and workable solution so far.

Let us assume that in a General Election 20m. people voted Labour, 22m. Conservative, 6m. Liberal, say 1m. each Scot. Nat. and Communist, a total of 50m. votes. There are, say, 650 seats in the House so that the Labour people are allocated 20/50ths of 650 seats (260 seats), Tory 22/50ths (286 seats), Liberal (78 seats) and the SNP and Communists (13 seats) each.

The leader of each party (or his committee) could allocate his party's seats to whomsoever he or they desired. After all, in a Parliamentary Election most people vote for the Party irrespective of who the candidate(s) may be.

Hugh McMaster.
204, Tantallon Road, Glasgow.

Liberals out

From Mr. G. R. Clark.

Sir,—Each Labour Government since 1945 has been further left than the one which preceded it. That the Labour Party is a coalition of proletarian socialists and bourgeois social democrats is a fact which is commonly accepted. That the former group now have a decisive edge over the latter (Mr. Wilson notwithstanding) is not so widely understood.

The coalition holds together for a number of reasons, most importantly because of the workings of our electoral system. That system allows for alteration in power of the two major parties. And that system, by which the fringes and the "soft centre" are thus greatly under-represented, has given us a spectacular and admirable stability in our political structure, as well as a remarkable loyalty among members of these major parties. This is dangerous to-day, because one faction of one party is pulling most of the strings, and more forcibly than hitherto.

The astonishing influence of only one half of the governing party, representing at most only 20 per cent. of the electorate, may well be permanently curtailed as a result of the coming referendum which should prevent the Left from achieving their proletarian dream. The Liberal suggestion for such curtailment is proportional representation, which would certainly end the exaggeration of the Left's influence for ever.

Would not a better solution than PR be the demise of the Liberal Party? With its finances so precarious, with its influence virtually nil, would it not render its finest service to non-subscribers to the proletarian dream by packing up altogether?

The overlap in the two major parties is substantial. A shift to those parties of millions of Liberal votes would, I believe, most effectively end the distortion of influences to which I have referred.

Geoffrey R. Clark.
5, Burton Bank,
Yeate Street,
Islington, N.1.

U.K. health at work

From The Director,
External Relations
Chemical Industries Association

Sir,—Dr. Clutterbuck's reference to U.S. health studies (May 8) on various chemicals must not be allowed to detract from the pioneering work carried out and sponsored by the British chemical industry, particularly in the health aspects of PVC production in which we have been among the leaders.

We wish it were as easy to compare the environmental standards and achievements of firms and government in this field as Dr. Clutterbuck seems to imply. One of the big difficulties in these comparisons is that there are wide variations in the numbers and siting of air sampling points and in the frequency of taking samples for measurement.

In a typical U.K. production unit we are now taking at least 10,000 measurements a week in addition to the personal monitoring of employee exposure by the use of portable instruments. All of these figures are disclosed to Government, the trades unions and employees.

W. McMillan.
Alembic House,
93 Albert Embankment, S.E.1.

The Attila line

From the Press Counsellor,
Cyprus High Commission.

Sir,—In his well-informed article "North of the Attila line" (May 7) Mr. Metin Munir reveals the intentions and plans of Turkey to reactivate the economic resources in that area of Cyprus which is under military occupation. All these plans are worked up in Ankara when the constitutional future of Cyprus is discussed and therefore making a mockery of the negotiations which the Turks purport to carry out.

Mr. Munir, in my opinion, did not put adequate emphasis on the fundamental fact that the properties to be reactivated belong to uprooted Greek Cypriots and in some cases to Britons. The Turks in the north usurped and are exploiting industries which do not belong to them. Their actions are against any principles of justice and contrary to international law, especially the 4th Geneva Convention of 1949 and the European Convention of Human Rights.

Mr. Munir refers, inter-alia, to the 80 per cent. of the citrus groves of the island and to the tourist industry of Kyrenia and Famagusta. The citrus groves have been planted and looked after for years by their rightful owners but the crop is now stolen by the invaders and exported, as Mr. Munir says, to this country. Those who import this fruit in the U.K. are nothing more than receivers of stolen goods.

The hotel industry of Kyrenia and Famagusta is the result of the hard work of the Greek Cypriot owners of the hotels. The luckiest of them have found jobs in England working as simple waiters but others are staying under tents in the south of Cyprus.

The efforts of Turkey to exploit the property and businesses left behind by people brutally displaced by force out of their homes are to be deplored rather than praised.

George Lanitis,
93 Park Street, W.1.

British Leyland

From Mr. George Wansbrough

Sir,—Grave injustice will be done if the Ryder report goes unanswered. Since I spent four days in 1959 going round BMC plants on behalf of the Economist, I would like to make a contribution.

The Ryder report seems heavily slanted. It contains no reference to the dealership organisation in the home market, where a large part of overheads must be earned. With dealerships running into millions of pounds of assets and myriads of men, there must be a strong argument for maintaining two high-volume marques, rather than leaving a corpus of dealerships ready to switch to Ford or Vauxhall or Chrysler or foreign competitors. Perhaps one misreads the report; but it is difficult to regard a report as comprehensive which has no word to say about home market distribution.

Is it so certain that a development organisation which produces volume cars at the right price will also produce first class Jaguars and MG's and Triumphs? The designers of the latter are a different type of animal and should live cheek by jowl with the works where the vehicles are made.

Perhaps condensation of the report gives a false impression, but if I was commissioning or furnishing a document vitally affecting a million workpeople, hundreds of millions of money and the reputations of able and devoted executives, I would look for a much more comprehensive, balanced and convincing document.

British Leyland ought not to receive any promise of hundreds of millions of tax-payers' money unless a chief executive had been available with suitable experience, prepared to take responsibility for saying that it is reasonably sure of earning its living in a fiercely competitive world. The minimum requirements are (a) guaranteed observance by the trade unions of established procedures; (b) no strikes except after a ballot; (c) no Government interference with manning levels proposed by the management.

George Wansbrough,
Dynalysis Ltd.,
Udimore Cottage,
Otterbourne Hill, Winchester,
Hants.

Back-doors to the EEC

From the Editor,
Common Market News.

Sir,—If Mr. Douglas Jay pursued the logic of his argument on EFTA and the EEC (May 8) he would normally reach the conclusion that there is no point whatsoever in leaving the EEC on industrial grounds.

We have taken our free trade with EFTA (with very few exceptions) with us into the Community for the simple reason that all the countries we left behind in EFTA have concluded free trade agreements on industrial goods with the Community. The exceptions are a few "sensitive" products which were, and are, "sensitive" under both systems. And even they will disappear from the tariff list by 1984.

Why leave the EEC through one back-door only to return to it (probably under less favourable conditions) through another back-door? Loss of sovereignty and trade with the Commonwealth? Both are arguments of doubtful validity. The political advantages, on the other hand, are enormous if we remain in the Community.

Stuart R. de la Mahotière,
24, Thurlow Road, NW3.

Chains made in Britain

From Mr. L. Filleul.

Sir,—For some time I have tried to read patiently the rather unconvincing arguments of Mr. Gordon Tether as to why this country should withdraw from the EEC. Going through his article of May 7, I was almost beginning to feel some sympathy with his point of view until I came to his last two paragraphs. In these Mr. Tether seemed to go completely off the rails and we parted company with a jolt.

Could Mr. Tether please tell us who are the unhappy wretches who have suffered "Two and a half years of unabated misery in the Common Market"? I have not met any of them myself, although I do not live or work in complete isolation. Also, perhaps Mr. Tether could remind us of what he means by "the chains which membership imposes on our freedom to start rebuilding our economic health." Most of the chains which I see lying about are fairly clearly marked "Made in Britain."

In his last paragraph Mr. Tether conjures up a picture of anti-Marketeers "behaving like knights in shining armour." I cannot say that this vision has ever occurred to me, but this could be because I am unimaginative, or it could simply be due to the fact that so often the true colours of the anti-Marketeers are more obvious than their protective clothing.

L. T. Le S. Filleul.
42 High Park Road,
Ryde, Isle of Wight.

Left and the referendum

From Dr. Geoffrey Dobbs.

Sir,—Mr. K. Irons (May 6) and many others, are suffering from an illusion when they suppose that an anti-Market vote on June 5 will lead to even more Left-wing policies being adopted in Britain, if not to a Left-extremist take-over. The reverse is more likely to be true, since an anti-Market vote will land this Government in such a fix that it may be possible to get rid of it; while a pro-Market vote will confirm it in power until it has broken the back of all resistance to the State Monopoly it calls socialism.

The illusion is based upon the absurd idea that Messrs. Benn, Foot, Mrs. Castle, etc. are a separate clique of "extremists" who are acting in defiance of the will of their more moderate colleagues, and will not be allowed to continue doing so if this Government is confirmed in office. It is pitiful the way this transparent manoeuvre of identifying these Left-extremists with anti-Marketism, is succeeding in bouncing Tory and moderate votes into the pro-Brussels camp. No doubt Messrs. Benn and Co. are genuine in their ideological anti-Marketism, but the issue clearly does not rate the importance which requires resignation from Cabinet. With only 28.6 per cent. of the total electorate having voted Labour, it is very clear whose votes have got to be manipulated to win the Referendum for the Government.

There is only one valid excuse or purpose for holding this referendum, and that is the unprecedented nature of the constitutional change involved in entry into the EEC. I urge no one to vote either way on a basis of speculative opinion as to the political or the economic outcome. If the thing becomes a cockpit of ideological manoeuvring or a mass-exercise in speculative economics, it will be the farce that many people think it will be.

The sole issue on which the ordinary citizen ought to be invited to express his will (not his opinions) is that of his consent, or otherwise, to the permanent and intendedly progressive transfer of powers of government over his own person, from the elected Parliament and other institutions within this country, to the institutions of the EEC outside this country. In short, the sole issue for which an answer is needed, is the extent of the people's consent to a measure of foreign rule.

Geoffrey Dobbs,
Bodifyr, Bangor, Gwynedd.

To-day's Events

European Central Bankers begin two-day monthly meeting, Basle.

Publication of report on Flixborough chemical plant explosion.

Dunlop clerical workers hold mass meeting on future of their strike.

Sir Murray Fox, Lord Mayor of London, unveils John Piper tapestry at opening of Sedgwick Forbes House, Aldgate, London.

PARLIAMENTARY BUSINESS
House of Commons: New Towns Bill, second reading; Timetable Motion on Industry Bill; Northern Ireland Orders on Loans (Increases of Limit) and Administration of Justice.

House of Lords: debates include Inheritance (Provision for Family and Dependants) Bill, report; Legal Advice and Assistance (Financial Conditions) (No. 2) Regulations 1975; Legal Aid (Financial Conditions) Regulations 1975; Legal Advice and Assistance (Scotland) (Financial Conditions) (No. 2) Regulations; Legal Aid (Scotland) (Financial Conditions) Regulations.

OFFICIAL STATISTICS
Index of industrial production for March.
Hire purchase and other instalment credit business for March.
Final retail trade figures for March.
Wholesale price index numbers for April.

COMPANY RESULTS
Furness Withy (full year).
Commercial Union Assurance (first quarter).
Philips' Lamps Holding (first quarter).

COMPANY MEETINGS
See Week's Financial Diary on page

SOCCER
Welsh Cup Final, second leg: Cardiff v Wrexham.

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COMPANY NEWS + COMMENT

Further growth for British Rollmakers

THE CURRENT year has started well for the **British Rollmakers Corporation**, particularly on the export side, although there is evidence that some of the group's major customers are beginning to experience difficulties, states chairman Mr. D. F. Dodd.

Despite this he is hopeful that the 1975 figures will show a further advance, not perhaps at the rate of the second half of 1974, but nevertheless of "satisfactory proportions."

As reported April 10 group pre-tax profit rose from £1,524,960 to £1,825,653 in 1974. The chairman points out that this result still represents a return of only 13.3 per cent on historic capital employed—a rate which could have been obtained on Local Authority deposit. If calculated on present day cost of assets employed the "return would compare very poorly with even the lower rates of interest now prevailing."

However, sufficient funds had been accumulated in earlier years to have enabled BRC not only to meet the increase in working capital but to spend substantially on the continual modernisation and extension of manufacturing facilities. These reserves of cash have now largely been absorbed. Facilities are available from the banks and the capital markets but at a cost, not necessarily confined to interest charges, which would lead to a diminution of profits already inadequate, says Mr. Dodd.

During the year the rollmaking division continued to be very active in the export market with the "most significant result" that at each of the two main plants export orders exceeded home orders for the first time. In the division direct exports increased by 68 per cent. and amounted to 40 per cent. of total sales.

Referring to a "very severe expansion" of working capital, particularly in the last two years, the chairman explains that inflation has been the main contributor. The group experiences an ever present requirement for further working capital just to maintain present activity levels.

During the year there was a net outflow of liquid resources of £543,000 (£380,000)—comprising a reduction in short call loans, bank balances, etc. of £1.51m. (£504,000), and a net reduction in provision for current tax, ACT and dividends £669,000 (£124,000).

Meeting, Birmingham June 4 at 12.15 p.m.

● comment

British Rollmakers' finished 1974 on a sound note with price increases and some volume growth bolstering margins on the rollmaking side and a strong trend in exports, which accounted for over 60 per cent. of the sales gain. However, the late push has left some scars on the balance sheet. Working capital requirements have risen by 32 per cent. while the net cash position of £1.5m. has almost completely been eroded. For the current year BR will be faced by a deteriorating trading climate in the U.K. steel industry while a two-month foundry strike is bound to leave its mark in the first half. The shares are yielding 13 per cent. at 28½p.

HIGHLIGHTS

The week-end post bag contains a number of company reports, including **British Rollmakers, Manders and Bowthorpe**, and the common theme here is a substantial increase in working capital requirements. The remainder of the week appears to be equally as busy with a number of top line companies producing results. The insurance sector is well represented with first quarter figures from **Commercial Union** on Monday, and from **Royal Insurance and General Accident** on Wednesday. To-morrow, **Ranks Hovis** is producing interim figures while on Wednesday **British Leyland** is also reporting its interims. Thursday is by far the most active day with interim figures from the **Royal Dutch Shell Group** and prelims from **Dunlop, Boots and First National Finance.**

Woolworths (Australia)

Providing trading conditions do not widely fluctuate Woolworths of Australia plans to maintain its dividend at 15 per cent. gross.

Sales and profit since the year end have improved satisfactorily over last year but it is difficult to forecast results with any confidence due to the current economic uncertainty, says chairman Mr. T. Kelly.

Hopeful outlook at Manders

IN THE present unsettled circumstances it is almost impossible to make predictions for the short-term future of **Manders (Holdings)** but the chairman, Mr. J. D. F. Tavendale, is "not unhopeful."

He reports in his annual statement that although the group has adequate financial resources available, the directors feel it wise in the present inflationary situation to amend the borrowing powers. At the meeting shareholders will be asked to increase the borrowing limit to about £8m.

Mr. Tavendale says that in spite of the depressed state of the building industry and a decline in the U.K. market for decorative paints, the volume of paint sales continued to expand in 1974. "These sales are being maintained in the early part of 1975," he adds.

Wallpaper sales suffered a severe set back in 1974 but for 1975 should be "considerably higher." In spite of a very strong start to the year, 1974 was rather disappointing for the Printing Ink division.

Because of interest and non-recurring charges, the Liquid Ink (Socol) acquisition in Australia made little difference to profits in 1974, but through the help of this division, "we expect to make some increase in 1975 despite the continued gloomy business conditions."

As reported on April 22 the company's pre-tax profit fell from £1.83m. to £1.71m. in 1974. Dividends total is up from 1.745p to 1.896p net.

Net attributable profit was down from £0.91m. to £0.81m.—split as to U.K. paint and printing ink companies £529,609 (£666,796). Overseas printing ink companies £154,358 (£152,164) and U.K. property company £120,709 (£90,093).

There was a bank overdraft as at December 31, 1974, of £1.59m. (£246,858).

● comment

Mander's had a tough time in 1974 with margins falling by more than four points (to 11.8 per cent.) against a background of poor demand, and a £250,000 Australian acquisition making only a minimal contribution to profits against all prior expectations. With working capital requirements rising by 58 per cent. last year, and the group's bank balance moving £1¼m. into the red (compared with net cash of £¼m. in 1973) it is understandable that the group should wish to increase its borrowing facility. However, what is surprising is that it is doing so without incorporating the £3.4m. surplus on revaluation of property. The group's trading conditions on the paint and printing ink side may be showing some signs of improvement so far in 1975, but with the Mander Shopping Centre still some way from completion (£1.25m. is scheduled for this investment in the current year) and unlikely to contribute anything to profits, this year, the shares at 31p, yielding 9.4 per cent. are giving little away.

Boustead chief sees progress

THE SPREAD of interests of **Boustead**, formerly Taiping Rubber Plantations, ensure that the company can be reasonably confident of maintaining a satisfactory rate of progress during 1975, states the chairman, Mr. H. B. Roper-Caldbeck, in his annual statement.

He reports that there are a number of new developments under consideration aimed at providing further growth.

Mr. Roper-Caldbeck states that in 1974 agricultural operations proved most satisfactory due to better than expected prices for rubber and palm oil and to a substantial increase of crops from the palm oil areas. The directors have approved a long-term replanting programme which aims to increase the acreage planted to palms to just over 30 per cent. to close on 40 per cent., he adds.

Oil palm prices peaked during the last quarter of 1974 and have since declined. However, the chairman says, even at current prices the directors are reasonably confident that the increased crops forecast for 1975 should ensure profits no less favourable than those achieved in 1974.

Turning to group results for 1974, he says they reflect the further expansion of the company's interests and may be considered satisfactory in that net profits of £618,688 (£226,809) exceeded those forecast at the time of the merger with Edward Boustead and Co., despite the recent imposition of a five per cent. excess profits tax in Malaysia. Dividends up from 1p to 1.08p net also exceeded the minimum level forecast.

A geographical analysis of the group's 1974 turnover of £16.88m. and pre-tax profit of £1.27m. shows: U.K. £2.67m. and £124,000, U.S. £1.96m. and £61,000 loss, Singapore £8.74m. and £297,000, Malaysia £797,000 and £330,000 and Australasia £4.72m. and £581,000.

Bank overdrafts and short-term loans at December 31, 1974 totalled £4.53m. (£1.99m.).

Boustead Estates Sdn. Bhd., a wholly-owned subsidiary of Boustead Holdings Bhd., is the beneficial holder of about 20 per cent. of the ordinary capital of Boustead.

Meeting, Bedford on June 3 at 2.30 p.m.

M. F. North prospects

There are slight signs of improvement in M. F. North's London hotels and at present advance bookings indicate that the company's resort hotels are likely to have a good year, says chairman Sir Cyril Black.

He is satisfied that the company is achieving more than its proportionate share of the business available.

Commenting on the further development of Oatlands Park Hotel, Weybridge, outline planning consent for which was obtained last year, Sir Cyril says there remains no further scope for the development of fringe lands without affecting adversely the amenities of the hotel.

After the development of this site of about 12 acres, the hotel will still possess amenity and pleasure grounds of about 40 acres, he adds.

The directors have decided that, for tax and other reasons, it is very important that the company should begin a "material development" of this site prior to January 1, 1976, and plans for this are being rapidly worked upon at present.

As reported on April 22 pre-tax profit rose from £164,958 to £217,394 in 1974 and dividends totalled 0.685p net, against 0.6199p.

Bowthorpe Holdings confident

MR. J. BOWTHORPE, chairman of **Bowthorpe Holdings**, the electrical and electronic components and accessories group, says that he has no doubt that the group's plan to offset the current world-wide recession will prove successful.

The group must continue to deliver new products to its customers throughout the world, and develop new markets, he adds.

The general cut back in both capital and consumer expenditure during last year has not been the same in each market or in each country, Mr. Bowthorpe points out. The very diversity of the group's operations, the spread of its product range, and its involvement overseas in terms of both exports and direct investment has afforded a real measure of protection. Overseas activities produced a sales turnover of £8,476,000 (£5,646,000), and maintained their contribution to pre-tax profits.

As reported on April 18 taxable profit expanded from £3.97m. to £4.01m. in 1974 and the dividend is raised from 1.13p to a maximum permitted 1.23p net.

The chairman explains that working capital requirements increased considerably during the year, mainly due to the higher costs of materials and components. Fixed assets were also increased by £1.9m., with a depreciation provision of only £848,000 cash resources have obviously been depleted. "We felt it right, however, at this time to invest for the future, and we are confident that our market strategy is right for the better times which we hope are to come."

A statement of source and application of funds shows a reduction in net liquid funds of £1.63m. This reflects a rise in bank loans and overdrafts from £285,000 to £1.09m. coupled with a reduction in bank balances, cash and short-term deposits from £2.63m. to £1.54m.

● comment

Since some 84 per cent. of the sales gain was attributable to the overseas companies there could have been precious little volume gain in the U.K. for Bowthorpe. The cassette side certainly had problems which along with a general cut back in both capital and consumer expenditure has left Bowthorpe with a sizeable jump in stocks. Working capital requirement has risen by 34 per cent. while the net cash position has been eroded from £2.3m. to £½m. over the year. On the fact of it Bowthorpe will be pushed to buck the 1974 second half trend—pre-tax profits slipped by over one-fifth—at least for the first part of the year. The shares at 31p (down 7p since the prelims) are yielding 6.0 per cent.

Davies & Newman

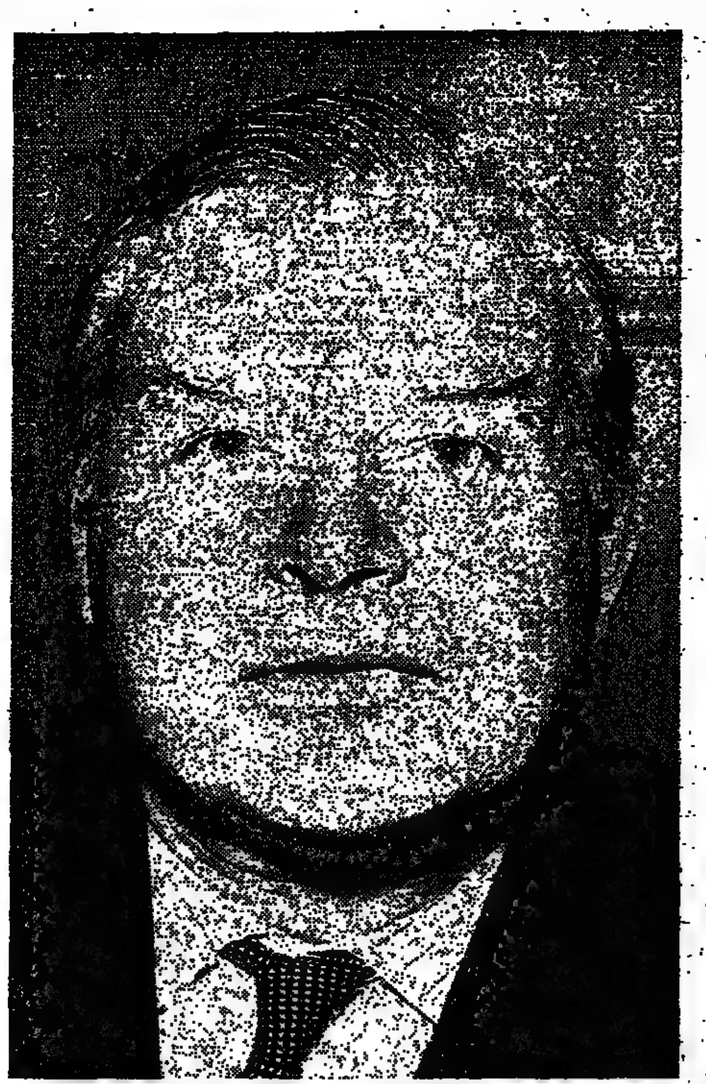
Mr. F. E. F. Newman, chairman of shipbrokers, shipping agents and airline operators, Davies and Newman Holdings, tells members in his annual statement that barring unforeseen circumstances business in hand should be sufficient to produce another satisfactory year.

At a time of great uncertainty in the shipping industry, with a record number of oil tankers laid up, the shipbroking subsidiary is fortunate to have continuing revenue from previously concluded fixtures and new building contracts, he adds. This will be of great value in maintaining the level of profitability in the company during a period of low freight rates and a lack of chartering opportunities likely to persist for some time to come.

On the aviation side Mr. Newman points out that Dan Air's aircraft are well employed for the current season and maintenance contracts for other airlines ensure full activity for the aircraft engineering subsidiary.

A statement of sources and application of funds shows an increase in cash balances of £703,000 (£18,000) and an increase in short term investments of £1,421,000 (£196,000 decrease).

As already reported taxable profit for 1974 advanced from £1.03m. to £1.14m. and the dividend is raised from 5.5275p to 6.12849p net.



Mr. J. E. H. Collins, chairman, of Guardian Royal Exchange Assurance.

Leslie & Godwin to prosper

IN A rapidly changing environment the plans and capabilities of **Leslie and Godwin (Holdings)**, insurance brokers and underwriters, should prove adequate to meet future needs and subject to general reservations the company should continue to prosper, chairman Mr. Norman W. Gant says in his annual statement.

Necessarily the profits which the group can obtain from business in the U.K. is linked with the fortunes of its clients and in these circumstances the problems of controlling its own costs become increasingly difficult.

As reported on April 25 pre-tax profit increased from £2.86m. to £3.55m. in 1974. The dividend total is lifted from 3.128p to 3.394p net.

Leslie and Godwin's ability to maintain profitability and to continue to expand its business very largely depends upon its success in controlling costs, says Mr. Gant.

Because of continuing rises in rents and rates in London and because too of the difficulties created for staff by travel conditions generally, a decision to move to Farnborough was taken more than 18 months ago.

Original plans were frustrated and eventually had to be abandoned, but accommodation has now been secured in two buildings close to premises originally intended for occupation. Removal has already commenced and the group intends ultimately to provide employment for about 300 in Farnborough within the coming 12 months, Mr. Gent says.

The significant costs involved have in part been borne out of last year's revenues but a further charge will be made in the current year.

With their intention to continue a policy of planned expansion in those countries with a maximum potential, the directors are at present studying in detail the problems of trading investment outside the Sterling Area.

The hire purchase companies are now trading profitably. Provided there is no serious economic deterioration the results for this year will be "much improved."

In the Republic of Ireland, due mainly to difficulties associated with the transaction of motor insurance business, profits in 1974 were somewhat lower than had been anticipated. Nevertheless, there are grounds for expecting an improvement in the current year, he adds.

During 1974 steps were taken to strengthen the position of the wholly-owned subsidiary, The World Marine and General Insurance Company, by making the capital of that company fully paid. This is now £250,000 authorised and issued and represented by 50,000 shares of £5 each.

Meeting, The Abercorn Rooms, E.C., on June 2 at noon.

Francis Inds. looks to higher profit

If demand improves over today's depressed levels, 1975 should show an increase in sales and profits, reports Mr. D. M. Saunders, chairman of **Francis Industries**, in his annual statement.

He says that the company, which has interests in light engineering, components and plastics, has risen to the challenge and encouragement of successive Governments to re-invest and is now capable of becoming one of the most efficient producers in the country within its own specialised fields. In many cases it manufactures a specialised product for customers so that in the main "we have already tooled up for the range we can expect to supply to them this year."

However, as their current schedules are not as high as their originally anticipated levels, and in view of the very poor economic outlook short-term, "we have reduced our budgeted production for these customers in line with current market conditions." The company is examining every possible alternative outlet for manufacturing processes but the nature of its business is such that it is not easy to obtain sales from new customers which require deliveries in the current year.

As reported on April 24 pre-tax profit in 1974 increased from £709,648 to a record £720,199. Dividends are up from 2.142p to 2.327p net.

Meeting, The Waldorf Hotel, W.C., on June 3 at 3 p.m.

Aberthaw Cement sales slip

FIRST QUARTER sales of cement at **Aberthaw and Bristol Channel Portland Cement Company** are slightly down on the same period of last year but although there are indications of a levelling out in demand, it is not expected that year-end sales will reach the 1974 level of £9.79m., says chairman Sir Maynard Jenour.

He reports in his annual statement that the rate of decline in sales experienced in the summer and autumn of last year has lessened. He considers that the level of activity in the building industry will not grow until there is an improvement in the general economic situation.

"When this takes place the group will be in an excellent position to take full advantage of any upsurge in demand," he says. "In the meantime every effort is being made to maximise sales in the company's economic delivery area and to obtain orders for export."

The chairman reports that in 1974 the group's cement sales suffered a decline of 13.7 per cent. due to a reduction in the level of building and construction activity. In the areas in which the group trades, the fall in demand for cement was greater than for the country as a whole, but a higher share of the market was achieved than in the previous year despite these trading difficulties.

A statement of source and application of funds shows a net decrease in short-term borrowings of £235,000 in 1974, compared with an increase of £866,000 the previous year.

As at April 8, 1975 The Associated Portland Cement Manufacturers held 26 per cent. of the issued share capital of the company.

Hoskins & Horton

The initial months of 1975 have been encouraging for **Hoskins and Horton** says chairman Mr. S. Lloyd "but it would be imprudent with present uncertainties to make any forecast."

Commenting on 1974 he points out that despite difficult conditions in civil engineering and building and intensified competition turnover was fully maintained and profits increased.

In the hospital equipment and light engineering companies of the group turnover increased by £1m. and this was reflected in trading profit which showed a "good" increase on the previous year.

As reported on May 2 profit before tax for the year was £69,464 ahead at a record £487,923. The dividend is lifted from 3.596p to 3.908p net.

GRE sees 'somewhat better' year ahead

GIVEN THE right climate for operations, Mr. J. E. Collins, chairman of **Guardian Royal Exchange Assurance**, sees no reason to anticipate that results for 1975 will not be somewhat better on the underwriting side, fully supported by life profits and rising investment income.

While it does appear that in some areas the group is in a down-cycle, he feels that continuing satisfactory operations can be looked for in many of the other traditional areas in which the group has traded for a very long time.

Commenting on the proposed Policyholders Protection Bill, Mr. Collins thinks the group is entitled to expect that the interpretation of the new legislation will be such that the British insurance industry will still have the freedom which is so essential if it is to make its vital contribution to the economy. He points out that the company has already been involved in assisting companies in difficulties "at not inconsiderable cost to us" and the impact of further levies which may be applied must not be overlooked in considering the group's competitive position.

On the subject of inflation the chairman declares that "if the Government cannot control inflation, at least it will do less harm if it allows industrial profitability to be restored. The absence of satisfactory levels of profit can only lead to unemployment and numerous bankruptcies and could even create conditions that could imperil our democratic society."

Reflecting a turnround from a profit of £1.3m. to a loss of £7.5m. in 1974 on short-term underwriting, the group profit, before tax, showed a reduction from £32.3m. to £28.4m., as reported March 14. The dividend is 7.75324p, the maximum permitted. A rights issue to raise £31.6m. is also proposed; and the directors expect at least to maintain the dividend in 1975 on the enlarged capital.

On the home motor business the chairman says it was necessary during the year to increase rates to meet the escalating cost of repairs and high compensation awards, but a modest profit was made. Although every possible economy is being exercised, further increases in premiums will be necessary in many cases.

Investment income increased in 1974 from £28.1m. to £32.2m. These figures were adversely affected by the absence this year of any profit from the property and estate development companies, which were affected by the general depression in the property markets. The rate of increase of the rest of investment income was 28.3 per cent.

Mr. Collins says that investment policy in 1974 was to keep resources liquid and take advantage of high rates of interest. In the current year the group has made additions to its gilt-edged portfolio and made selective purchases of equities. It is not, however, the directors' intention to commit substantial funds to the U.K. equity market unless such action is justified by a fundamental change in conditions in this country. As a result of worldwide insurance operations a considerable part of GRE's investment portfolio is held overseas.

At the year-end there was a downward variation of investment values of £56.9m.—U.K. funds £36.4m. and depreciation of investments representing property and equity linked policies £20.5m.

Meeting, 20 Aldermanbury E.C., June 4 at noon.

BOARD MEETINGS

The following companies have notified dates of Board meetings to The Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below is based mainly on last year's timetable.

TODAY

Interims:—Belgrave Assets, Commer Bros., Moss Engineering, Samuel Osborn, Tricoville, John Williams of Cardiff.

Finals:—Beralt Tin and Wolfram, Bishopsgate Trust, Brixton Estate, Burrell, Foster Brothers Clothing, Furness Withy, Hoveringham Group, Huntley Associated, London Asiatic Rubber, Menmore Manufacturing, Old Swan Hotel (Harrogate), P. Panto, Portals, Randalls, Shellabear Price, Young Companies Investment Trust.

FUTURE DATES

Interims:—	
Causton (Sir Joseph)	May
Cuthbert (R. & G)	May
Medminster	May
Scottish Investment Trust	May
Weyburn Engineering	Jun.
Finals:—	
Aberdeen Investments	May
Allied Leather Industries	May
Clark and Fenn	May
Cope Sportswear	May
Dunhill (Alfred)	May
Fidelity Radio	May
Frost and Reed	May
Hartwells	May
Hield Brothers	May
King and Shaxson	May
Ouzwich Investment Trust	May
Pritchard Services	May
Pyramid Group Publishers	May
Regalian Properties	May
Scott and Robertson	May
Sena Sugar Estates	Jun.
Steel Bros.	May

Good start by Advance Laundries

The year 1975 has started w for Advance Laundries a chairman Mr. W. M. Draw hopes that the company will gi a better account of itself than 1974.

He reports that for some ye companies engaged in the cle ing of offices and other prem have made an indifferent co tribution to group profits. year was no exception b further reorganisation has tak place and he hopes for "bet results."

Two ventures in the Leban and Cyprus have suffered fr political instability and have yet started to show the med growth expected of them. company's biggest investm (with a French partner) in G many has still incurred quite substantial loss in 1974. In sp of expectations of turning it i a profitable concern, he adds.

As reported on May 2 pre profit in 1974 improved fr £1.56m. to £1.66m. The divide is up from 1.2677p to 1.3788p

Meeting, Stratton House, on June 2 at noon. Advance i member of the British Elect Traction group.

BIDS AND DEALS

Hutchison sells Shipping & Gen. stake

Shipping and General Investments has been advised by Hutchison International, its majority shareholder, that Hutchison has sold its 71.4 per cent. interest in the company for cash.

The shares have been placed by Hoare and Company Govett (Far East) with a group of London-based investment funds which include investment trusts within the Electra House, G.T. Management and Henderson Administration Groups.

GT Management (Pacific) has acquired from Hutchison its shareholding in Hutchison-GT, the company's managers, and an interest in the latter will be acquired by the Electra House group.

The Shipping and General Board will shortly be putting before shareholders proposals which will, if approved, have the effect of transferring net assets of the company to a new unit trust.

SHARE STAKES

Liner Concrete Machinery—Ferguson Industrial Holdings now holds 1.8m. Ordinary shares—25 per cent. of the capital.

Permali-Slater Walker Secu ties—its subsidiaries, investm trusts, etc., are interested 4,004,250 Ordinary shares repr senting 30.195 per cent. of t capital. This is not a disclosu under the Companies Act.

Borelli Tea Company-Bandam Holdings has bought a further Ordinary shares to make to holding up to 56,900 shares whi represents 20.47 per cent. of t voting capital.

Colmore Investments-Maur James Holdings has bought further 185,000 Ordinary shares the company. Total holding now 985,000 shares represent 24.6 per cent. of the capital.

Frank G. Gates—Mr. C. Hughes has acquired 84, Ordinary to make his total ho ing 242,000 shares (14.4 per cen

Fairdale Textiles—Bank of S land Nominees has acqui 544,170 Ordinary shares (13.74 cent.). As a result First Chic Nominees ceased to hold a sigr cant number of shares.

L. E. T. Holdings has been n fied by East River that it is n interested in 133,356 (31.34 cent.) Preference shares.

WILLIS FABER

A new company, Willis Fa (Construction), has been form by Willis, Faber and Dum (Holdings) to handle the ins ance of construction business a world-wide basis.

RESULTS AND ACCOUNTS IN BRIEF

ABRASIVES INTERNATIONAL—Final 0.864p net making 1.4p (1.364p). Turnover 1974 £1,698,508 (£1,348,464). Trading profit £176,544 (£84,147). Deduct tax £110,354 (£46,211). Exceptional items £29,046 (£27,199) and Minorities £3,165 (£3,469), leaving Net Profit £34,039 (£7,248). Start of current year reflected the performance attained in last six months of 1974 but the continuing industrial recession is bound to affect profitability to some extent.

DUBLIN AND CENTRAL PROPERTIES—For the six months ended December 31, 1974. Gross rents receivable £137,317. Interest payable £292,913, net rental loss £135,596 deposit interest £61,730. Dividends received £253. Management and administration £26,225. Trading loss £119,738. Taxation charge nil. Gross loss £119,738. The Central Hotel ceased trading on December 31, 1973. On June 29, 1974, the Waterloo Holdings Development came on to full rent and from that date all interest payable by Waterloo was charged to profits rather than capital. As a result of these two factors the directors consider that comparative figures for 1973 would not be of any relevance. All of loss arises in accounts of our wholly owned subsidiary Waterloo Holdings.

DUNDEE CREMATORIUM—Dividend 8p on increased (7.494p) capital Turnover year to March 31, 1975, £48,378 (£35,250). Pre tax profit £13,884 (£12,044). Tax £5,436 (£3,519), leaving £8,448 (£8,525).

EVERED AND CO. HOLDINGS—Results for 1974 reported on April 19 with observations on prospects. Group fixed assets £1.34m. (£1.24m.). Net current assets £1.62m. (£2.13m.). Meeting, Birmingham, May 30, 12 noon.

LCG (HOLDINGS) (Caravan distributors and park operators)—Results for year ended October 27, 1974, already known. Fixed assets £1.99m. (£1.73m.). Net current liabilities £238,960 (£176,109). Meeting, 21, Pall Mall, S.W., May 30 at 4 p.m.

NORTH BRITISH CANADIAN INVESTMENT COMPANY—Results for year to February 28 1975 reported March 22. Quoted investments U.K. £9.06m (£2.32m.). Quoted investments overseas £[illegible] (£[illegible]). Unquoted at directors valuation £[illegible] (£[illegible]). Meeting, Edinburgh, May 30 at 10.45.

Jardine Japan Investment Trust Limited

Points from the Chairman's, Mr. M. A. R. Herries, Statement.

Net revenue for the year to 31st December 1974 after taxation, amounted to £84,816 (£60,774 for 1973) and a total dividend of 0.85p per share (0.45p for 1973) is being recommended.

The increase in net revenue was entirely due to the highly liquid position maintained throughout the year. This policy of disinvestment also cushioned the effect of the fall in the Japanese stock market on the net asset value of the Company which fell by 10% during the year.

As expected, corporate profits declined during 1974 and the move out of recession is likely to be slow. By March 1975, however, the success of the counter-inflationary measures taken by the Japanese Government was becoming apparent and it is hoped that this will bring about an improvement in economic conditions.

The Board remains convinced of the potential for investment in Japan for long term growth and, in view of the prospective move out of recession, has initiated a cautious and selective policy of re-investment.

Copies of the Report and Accounts are available from The Secretary of the Company at 3, Lombard Street, London, EC3V 9AQ.

HOSKINS & HORTON LTD.

Mr. S. Lloyd reports

MARKED INCREASE IN TURNOVER AND PROFIT

GROUP RESULTS

Shareholders will note that in this year there was a marked increase in turnover and in group trading profit. Inflation takes much of the value out of such comparisons but, nevertheless, we can be certain that the group as a whole did make useful progress in 1974.

Despite difficult conditions in civil engineering and building and intensified competition turnover was fully maintained and profits increased.

In the hospital equipment and light engineering companies of the group turnover increased by £1 million and this was reflected in trading profit which showed a good increase on the previous year.

One can only record with regret the discouraging fact that, in a year of notable advance, greatly increased taxation and to a lesser extent high interest charges have held the net profit down to the figure of the preceding year.

DIVIDENDS

The board recommends a final dividend of 2·638 pence which with the interim dividend of 1·270 pence makes a total for the year of 3·908 pence, the maximum permitted, compared with 3·596 pence in the previous year, and the cover at 2·48 times is generous.

FORECAST FOR 1975

In my last statement I forecast improved results for 1974. The forecast proved correct. With the present uncertainties it is imprudent to make any forecast for 1975. One can only say that the initial months have been encouraging.

EMPLOYEES

The progress made in this year by the company is evidence of the persevering work of employees throughout the group. It is a pleasure to express to them the thanks of the company for whole-hearted effort.

RESULTS IN BRIEF

		1974 £.000	1973 £.000
Group turnover		5,506	4,278
Group profit before taxation		488	418
Net assets employed		2,234	1,797
Profit before loan interest and tax as percentage of net assets employed		22·7%	24·4%
Earnings per ordinary stock unit:	Before taxation	20·6p	17·6p
	After taxation	9·7p	9·7p
Dividend per ordinary stock unit		3·908p	3·596p
Rate of ordinary dividend — Gross		29·7675%	26·46%
Cover for ordinary dividend (times)		2·48	2·68

Read for the Stock Exchange exams AT HOME

*These examinations are no longer restricted to employees of member firms of the Stock Exchange. In the comfort and privacy of your own home you can pursue a carefully graduated course of study that has been officially recognised by the Stock Exchange. Subjects are Stock Exchange Practice: Interpretation of Company Reports and Accounts: Taxation: The Technique of Investment.

Write for details to The Principal, S. Mendes, Bsc. Econ. FCA, Department 2M05K, Metropolitan College, Aldermaston Court, Reading RG7 4PW. Also at Metropolitan College Advisory Office, 4, Fore Street Avenue, Moorgate, EC2Y 5EJ. Tel. 01-628 2721.

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Rotork Limited 1974

Sales up by 44% to £8·50 m

Profit up by 146% to £0·95 m

Earnings up by 6·4p per share

Dividend up by 15·27%

Results in brief	1974 £'000	1973 £'000
Group sales	8,499	5,882
Overseas sales	5,135	3,330
Profit before tax	950	386
Profit after tax	442	200

In his review, Chairman Mr. Jeremy Fry says:

'We have had a satisfactory start to 1975. Inflation and current international trading conditions have, however, made us very conscious of the rapidity of change and of the need to respond quickly to world events. In these circumstances, our aims are to remain liquid and to continue to build up successful trading operations overseas, in order that our future does not rely too heavily upon the economy of any one country.'

[illegible]

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Pending dividends timetable

For the convenience of readers, the dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements, except where the forthcoming Board meetings (indicated thus*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent. shown in the column headed "Announcement last year." Preliminary profit figures usually accompany final dividend announcements.

	Date	Announcement last year
AD Intnl.	May 29	Final 5.4%
Allied Irish Banks	May 14	Final 13½% †
Amalgamated Power	May 30	Final 16.3%
Anglo Amer. Group	June	Dividends
Anglo-Transvaal Group	June	Dividends
Armitage Shanks	May 23	Final 14.7%
Assoc. British Foods	June 10	Sec. int. 20%
Assoc. Newspapers	June 13	Final 15.95%
Assoc. Engineering	May 28	Int. 5.8%
Australia and NZ Banking	May 19	Int. 4.7%
Avon Rubber	May 21	Int. 4.2%
Barlow Rand Group	June	Dividends
Bass Charrington	May 22	Int. 8%
Bassett (G.)	June 18	Final 13.1%
Beecham	May 23	Final 14.6%
Boots	May 15	Final 15.8%
Brockhouse (J.)	May 23	Int. 6.6%
Brown (Matthew)	May 30	Int. 4.2%
Bunzl Pulp	May 13	Final 5.4%
Cater Ryder	May 15	Final 8%
Charrington Gardner	June 12	Final 10.8%
Charter Consolidated	June 5	Final 22.17%
Charterhouse	May 30	Int. 5.2%
Chloride	June 18	Final 13.47%
*Coalite and Chemical	May 20	Final 4.8%
*Coats Patons	May 29	Final 19.3%
Comben	June 21	Final 25.1%
Corner House Group	June	Dividends
*Costain (R.)	May 13	Final 11.5%
Courtaulds	May 23	Final 22.5%
Davis (G.)	June 13	Final 12.1%
De La Rue	June 4	Final 23.23%
Doncaster (Daniel)	June 18	Final 8.8%
*Dunlop	May 15	Final 6%
*Duport	May 14	Final 10.3%
Dutton-Forshaw	May 8	Final 9%
Eastern Produce	May 23	Final 4.8%
English China Clays	June 14	Int. 4.785%
*Ever Ready	May 28	Final 12.3%
Exchange Telegraph	May 23	Final 15.0%
Finlay (Jas.)	May 21	Sec. int. 10.4%
*First Natl. Finance	May 13	Final 13.1%
*Folkes (John) Hefo	May 14	Final 17.3%
French Kier	May 14	Final 5%
*Furness Withy	May 13	Final 5.4%
General Mining Group	June	Dividends
Gold Fields Group	June	Dividends
GRA Property Trust	Apr. 15	Final 11.5%
Grand Metropolitan	June 18	Final 4.179%
Greening (N.)	May 28	Final 6.3%
Hambros	June 14	Final 29.587%
Hardy and Co. (Furnishers)	May 24	Final 9.9%
*Head Wrightson	May 14	Final 8.2%
Hickson and Welch	June 7	Int. 5%
Hill (Philip) Inv.	May 30	Final 15.9%
Hill Samuel	May 29	Final 18.3%
*Hoveringham	May 12	Final 6.6%
Initial Services	June 21	Final 18.7%
Jo'burg Cons. Group	June	Dividends
Johnson Matthey	June 12	Final 8.424%
Land Securities	June 17	Final 6.5%
Lindustries	June 13	Int. 6.6%
*Lloyds and Scottish	May 15	Int. 9.4%
Lond. and Nthn. Secs.	May 29	Final 11.7%
Maple Macowards	May 1	Final 11%
MEPC	May 21	Int. 7.5%
Metal Box	May 30	Final 9%
Ozalid	May 23	Final 17.1%
Peninsular and Oriental Dfd.	June 5	Int. 2.88%
Plantation Hldgs.	May 8	Final 12%
*Portals	May 12	Final 19.2%
Press (Wm.)	May 30	Final 23%
*Ranks Hovis	May 19	Int. 6¼%
*Ransome Hoffman	May 30	Int. 6¼%
*Readicut Intnl.	May 14	Final 19.5%
Reed Intnl.	May 20	Final 7.7%
Samuel (H.)	June 4	Sec. int. 22%
Selection Tst.	June 3	Final 30.5%
Sellincourt	May 13	Final 19.4%
Sketchley	June 18	Final 12.9% §
Standard and Chartered	June 17	Final 9.1%
Staflex Intnl.	May 20	Final 6.3%
Staveley	May 16	Int. 2.9%
Trafalgar House	May 22	Int. 6.8%
UBM	June 7	Final 13.755%
*UDS	May 15	Sec. int. 14.2%
Union Corpn. Group	June	Dividends
United Wire	May 1	Int. 8.3%
Warren Tea	May 28	Final 5.1%
Wedgwood	Apr. 23	Final 6.5%

* Board meetings intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made from reserves.

Local Authority Investments

LOCAL AUTHORITY loan rates were weaker last week at the shorter-end of the temporary field, but strengthened at the longer end, and in the mortgage sector.

A good supply of day-to-day credit in the money market as a whole helped to lower the shorter-term rates, but there was underlying concern over the possibility of U.K. interest rates in general trending upwards.

Deposits at seven days' notice fell to 7¾-8¼ per cent., from 9-9¼ per cent., and one-month to 8¾-9 per cent., from 9¼-9¾ per cent., while three-month eased a little, to 9¾-10 per cent., from 9⅞-10 per cent., but the one-year mortgage rate, for instance, rose to 12¾ per cent., from 11¾-12 per cent.

The Financial Times Government Securities Index fell slightly on balance, to 57.46, from 57.49—ranging down to 56.55 on Monday, and up to 57.73 on Thursday.

One-year local authority bonds were placed during the week at par, with a coupon of 12¾ per cent., to offer a return ¼ per cent. above that on the previous week's batch.

* Rate (%) May 9, 1975	
2 days' notice (deposit receipt)	7¼ — 7½
7 days' notice (deposit receipt)	7¾ — 8¼
7 days' notice after one month (deposit receipt)	8¾ — 9
7 days' notice after three months (deposit receipt)	9¾ — 10
7 days' notice after six months (deposit receipt)	10¼ — 10½
Mortgage at one month's mutual notice after 11 months	n.a.
Mortgage at one month's lender notice after 11 months nominal term 2-5 years	12¾
2 years' mortgage	13¼†
3 years' mortgage	13½†
4 years' mortgage	13¾ — 14†
5 years' mortgage	14 — 14¼†
6-10 years' mortgage	n.a.
11-30 years' mortgage	n.a.

* Rates are for sums not less than £20,000 and are subject to local variations and fluctuations. † Nominal. ‡ Shorter periods may attract higher rates than longer. n.a. Not available.

Public Works Loan Board rates

(Effective from May 10, 1975)

	Quota loans Repaid		Non-quota loans Repaid	
Years	By instalments	At maturity	By instalments	At maturity
Up to 5	11¾	11¾	13¼	13¼
Over 5, up to 10	11⅞	13⅜	13½	14
Over 10, up to 15	12½	14¼	13¾	15¼
Over 15, up to 25	14¼	15¼	14½	15½
Over 25	14½	15½	15¾	15¾

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −	Div. or Amount	Times covered	Gross Yield	P/E Ratio
—	F.P.	—	255½	235	Bell Canada $25	234	+1½	—	—	—	—
a	F.P.	—	222½	217½	Cons. Gas. Inc. $US1	221½	+1¼	$1.6	—	3.2	—
¢22	Nil	30/5	105	95	Doornfontein Gold Mining	100pm	+10	—	—	—	—
[illegible]	F.P.	—	131	130	Ewart New Northern	131		—	—	—	—
140	70	20/6	99	94	Rank 'A'	97	+3	—	—	—	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or −
£100	F.P.	—	100½	99⅞	Agricultural Mortgage 11% 1976	99⅞	......
$98	F.P.	—	$96½	$96½	Granges 9½% Bonds 1988	$96½	......
£97½	£40	—	39½	37	GLC 12½% Stk. 1982	37½	+½
a	F.P.	22/8	100	100	Greenwood & Bailey 15% Uns. 1976	100	......
£98	F.P.	30/5	102½	98½	Lincoln Corp. 13% 1980	100½	......
††£99	F.P.	30/5	105½	101	Mid-Kent Water 10% Prf. 1980	105	......
—	F.P.	23/5	15½	11½	Mid-Southern Water 10% Prf. 1980	105	......
£100	Nil	21/5	9	6	N. Atlantic Secs. 7½% Conv. 95-98	9pm	+1
$98	F.P.	—	$98	$96½	Ottawa-Carleton 8% Deb. 1990	$97	......
$99	F.P.	—	$101	$92½	Papua New Guinea 9½% Guar. 1985	$100	......
††£75	F.P.	—	105¼	100	Rickmansworth & Uxbridge 10% Prf. 1980	104½	+¼
£100	F.P.	30/5	149	122	Slough Estates 10% Conv. Uns. '87/90	149	+1
£99½	£45	1/8	46¼	43½	Southend-on-Sea 12½% 1981	44	+½
£99	F.P.	11/4	105	99	S. Staffs. Water 10% Prf. 1980	104½	......
—	F.P.	18/4	105	101	Sutton District Water 10% Prf. 1980	104	......
—	F.P.	14/2	86	60	Worth (Bond) 12% Conv. Uns.	85	......
‡£100	£50	2/10	97	67	Yorks Chems. 12½% Conv. Uns.	75	+3

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Dates ↑	Latest Renunc. Dates ↓	Stock	Closing Price p	+ or −
58	Nil	16/5	2/7	Associated Biscuit	24pm	+2
10p	Nil	15/5	15/6	Aurora Holdings	¼pm	−¼
60	F.P.	11/4	23/5	Barratt Devs.	104	+2
85	F.P.	17/3	16/5	Bridon	138	+1
25	F.P.	28/4	30/4	Camford Eng.	29	......
185	F.P.	16/4	16/5	Consolidated Gold Fields	270	+10
10p	F.P.	2/5	30/5	Croda Int.	61½	......
55p	Nil	19/5	10/6	Delta Metal	13pm	−½
$1.20	Nil	—	—	EZ Inds.	80pm	+2
R2.6	F.P.	—	—	F.S. Saaiplaas R1	200	−5
55p	F.P.	2/5	23/5	Fothergill & Harvey	70	......
175	Nil	19/5	20/6	Guest Keen	53pm	......
25	F.P.	16/4	16/5	McPherson (D.)	31	......
60	Nil	—	—	Martin Black	38pm	+5
60	Nil	16/5	13/6	Morgan Crucible	26½pm	+3
36	F.P.	1/5	27/5	Rolls-Royce	54	+1
Kr60	Nil	—	—	S.K.F. "B"	200pm	......
38	F.P.	2/4	16/5	Sketchley	56	......
77	F.P.	12/5	6/6	Spirax-Sarco	105pm	......
90	F.P.	22/4	22/5	Steetley	115	+2
190	F.P.	29/4	1/5	Tube Invs.	272	−2
20	Nil	—	—	Western Selection	6pm	......

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital; cover based on dividend on full capital. p*** Pence unless otherwise indicated. u Forecast dividend; cover based on previous year's earnings. † Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ¶ Offered to holders of Ordinary shares as a "rights." ♥ 200 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. § With warrants.

INTERNATIONAL COMPANY NEWS

Estel gloomy about first half 1975 prospects

BY MICHAEL VAN OS

AMSTERDAM MAY 11.

IN LINE with forecasts, Estel, the Dutch-German steel concern, saw its first quarter net profit plummet to Fls.27.7m. from Fls.75.5m. in the same quarter last year and the results for the second quarter are expected to be "considerably worse."

The company said in a statement published in Nijmegen that the first part of the first 1975 quarter was still influenced by the fulfilment of orders from last year. But the results worsened considerably in the second half as, in line with expectations the downturn in the economy forced down steel demand. This resulted in the quarter's operating profit slumping to Fls.62m. (Fls.180.8m.).

As a result of the declining demand for steel products, Estel has had to cut back production in the steel sector as well as in steel processing. Besides putting a number of people on short-time, the company said staff had been reduced by 300 from the start of this year.

According to the statement, Estel's operating profit as a percentage of sales fell further to 2.6 per cent. in the first quarter from 4.1 per cent. in the final 1974 quarter and from 7.1 per cent. in January-March, 1974.

Group sales, at Fls.3.35bn. in the first quarter, were still very marginally above the same quarter last year but they compare with Fls.2.67bn. sales in the previous quarter. Depreciation clipped off Fls.127.5m. in the first quarter (Fls.127.7m. same quarter 1974) and other costs Fls.2.17bn. (Fls.2.04bn.). Estel's pre-tax profit slumped to Fls.36.7m. in the quarter from Fls.130.4m. last year.

First quarter crude steel output amounted to 2.9m. tons (against 3.1m. tons in the same 1974 quarter); pig iron production was 2.2m. tons (2.5m. tons) and the production of rolled products was down to 2.1m. tons (2.6m. tons).

Late last month, Estel was able to announce that its performance for the whole of last year had been strong: it virtually doubled net profits to Fls.322.9m. from Fls.169.8m. in 1973, while sales had jumped to Fls.10.12bn. (Fls.7.8bn.) The group's annual report is due to be published next Friday (May 16).

Japanese 'city banks' profits decline

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, May 11.

PROFITS before tax of Japan's 13 major foreign exchange banks (the "city banks") fell by an average of 16.7 per cent. during the six months' period ending last March as compared with the previous six months term ending in September 1974.

Four major banks (Fuji, Sanwa, Mitsubishi and Sumitomo) have reduced their dividend rates for the first time in 15 years, reportedly under "guidance" from the Ministry of Finance. The reduction from Yen 3 to Yen 2.50 per share is equivalent to a cut in the annual dividend rate from 12 to 10 per cent.

The decline in bank profits reflects a combination of factors, including a degree of "window dressing" by the banks themselves and does not imply an overall deterioration in the banks' positions. Profitability of the banks' domestic transactions appears to have declined as a result of rising operating costs but the banks made big profits on their overseas transactions during the six month period.

The overall profit position has also been affected by losses on sales of securities which were undertaken in accordance with guidance from the Bank of Japan. Net sales of securities during the six months' period came to Y564.8bn. (against net sales of Y85.5bn. in the previous term). The loss incurred by the 13 banks on these securities is put at Y42.3bn.

Lysaght plans for strip mill

SYDNEY, May 11.

JOHN LYSAGHT AUSTRALIA said in its annual report that the U.S. Export-Import Bank and a consortium of American banks are negotiating to provide, equally, supplier credit of $A48m. for the hot strip mill being built at Westernport.

The Broken Hill Proprietary Co. Ltd. will contribute $A71m. to pay up its partly paid Lysaght shares. BHP and (subject to U.K. government approval) Guest Keen and Nettlefolds Ltd. will each provide another $A25m. of equity capital.

Other finance will be raised as loan capital in various forms, the report said. (BHP and GKN equally own Lysaght.)

Air Canada records $9m. loss

By Victor Mackie

OTTAWA, May 11.

AIR CANADA recorded a loss of $9.2m. in 1974, a year in which both revenues and operating costs reached all time highs. In its annual report tabled in the House of Commons, the government-owned airline noted that it was only the second loss in the last 11 years for the Crown-owned carrier.

It was emphasised that if Air Canada whose debt/equity ratio in 1974 was 95/5, had enjoyed the 60/40 ratio common among North American privately-owned airlines, the company would have shown a net profit of about $1.4m. The debt/equity ratio declined from 93/7 the previous year.

In the annual statement, Yves Pratte, Board chairman and chief executive officer, reported that operating revenues rose 22 per cent. over 1973 to $848.6m. This was due to continued traffic growth stimulated by the airline's sales efforts and to domestic and international fares increases introduced during the year.

BASF voting limit opposed

DUSSELDORF, May 11.

THE GERMAN Association for the Protection of Shareholders said it will oppose BASF's plan to limit shareholders' voting rights at the annual meeting on June 12 and called on BASF shareholders to vote against the proposal.

The association said the proposed limit to DM50m. or about 3 per cent. of nominal capital per shareholder is unnecessary, as there is no immediate danger of any one large stake being built up.

WORLD ECONOMIC INDICATORS

Unemployment Indices

	April '75	March '75	Feb. '75	April '74
U.S.	8,100,000 (8.9%)	7,980,000 (8.7%)	7,500,000 (8.2%)	4,530,000 (5%)
W. Germany	1,090,000 (4.7%)	1,100,000 (4.9%)	1,190,000 (5.2%)	517,000 (2.4%)
	March '75	Feb. '75	Jan. '75	March '74
France	765,700	727,600	698,000	425,900
	Feb. '75	Jan. '75	Dec. '74	Feb. '74
Japan	1,100,000 (2.1%)	990,000 (2.0%)	830,000 (1.6%)	830,000 (1.6%)
	Jan. '75	Oct. '74	July '74	Jan. '74
Italy	603,000 (3.01%)	605,800 (3.07%)	551,000 (2.89%)	600,000 (3.01%)
		Dec. '74		Apr. '74
Holland		189,700 (4.6%)		126,100 (3.1%)

INSURANCE BASE RATES

† Atlantic Assurance	11½%
Cannon Assurance	9½%

† Address shown under Insurance and Property Bond table.

REGIONAL MARKETS

	Price May 9	Am Div. Bm A	Times covered B	Gross yield %
BELFAST				
Finlay Pkg. (5p)	15	18	◆	9.2
Hughes (B) & ...	75	B—	—	—
N. Irish Set Inv.	20	1.7	‡1.4	52.5
IRISH EXCHANGE				
Alliance Gas (£1)	36	Q10	1.8	‡
Carroll (P.J.)	115	†Q30	2.1	s6.5
Conc. Prod. Ire.	70	Q28	◆	10.0
Clondalkin	67	Q23	5.5	10.1
Goodbody (£1)	59	Q4	1.0	10.4
Helton Hldgs.	32	‡Q25	5.0	‡
Irish Distillers	63	Q13	2.5	5.1
Irish Wire Bd.	40	Q42	◆	15.7
Jacob	55xd	Q20	6.5	9.4
Sunbeam	11	Q3.3	◆	9.5
Unidare	61	Q28	◆	10.2
MIDLANDS & WESTERN				
Evans (Frdk) 10p	51	11.9	5.2	5.9
Evered	12½	7	—	8.5
Frost & Reed 50p	100	†10.5	◆	5.0
Gardiner	11½	—	—	—
Greig Ship. £1	470	†13.1	◆	4.0
Hallamdleigh 10p	7½	—	—	—
Kleen-E-Ze	29	15½	◆	11.0
Lovell's Ship. £1	150	†6.4	0.7	7.6
Pearce C. H.	60	†10.3	6.8	5.6
Sindall (Wm.)	45	d13.4	◆	11.5
Vincent (H.)	87½	†15.4	3.6	4.6
NORTHERN EXCHANGE				
Albany Inv. (20p)	12	4.3	◆	11.1
Ash Spinning	40	13.3	3.1	12.8
Brady (G.) 'A'	59	†19.3	2.5	14.5
Br'wat'r Est. 50p	135	15.0	◆	6.6
Clover Croft	40	†12	◆	11.5
Dysoni R.A. 'A'	29	9.3	0.6	11.6
Ellenroad	39	7.2	◆	7.3
Eng. Nat. Inv. Pf.	23½	†5.6	2.5	9.2
Do. Deferred	23½	†3.3	0.3	5.5
Era Ring	40	12½	◆	17.7
Gardner (L.)	87	20.0	1.9	13.5
Higson Brewery	75	13.8	3.5	6.1
Holt (Joseph) (25p)	170	[illegible]	◆	1.5
I.O.M. Steam (£1)	110	Q10	—	9.1
Nichols Vimto	80	‡46.6	1.8	‡
Nthn Goldsmith	65	†17	3.7	10.0
P.M.A. Hldgs.	34	—	—	—
Peel Mills	17	6.7	2.1	15.1
Sayers Conf (12½p)	9	—	—	—
Sheffield Brick	75	†14.7	2.4	7.5
Sheff. Refreshm't	155	57.3	2.4	6.2
Shiloh Spin	25	6.6	◆	10.9
Woodward H. 12½p	44	†20.1	◆	10.9
SCOTTISH EXCHANGE				
Bertrams	17	7	◆	15.8
Craig & Rose £1	315	16.8	5	9.2
Dundee Ice £1	360	4.2	3.8	2.1
Dundee Crtn £1	180xr	8	◆	[illegible]
Ellis & McHdy	57	6.3	1.7	5.6
Fife Forge	45	17	◆	14.6
Lees (J.J.) 10p	25	15.4	◆	9.3
Richards 10p	10	7.2	2.3	[illegible]
Robb Caledon 50p	60	7	2.3	9.0

BASE LENDING RATES

AFI International	9½%
Allied Irish Banks Ltd.	9½%
Anglo-Portuguese Bank	10 %
Henry Ansbacher	10½%
Banco de Bilbao	9½%
Banco de Jerez	10½%
Bank of Cyprus	‡10 %
Banque du Rhone S.A.	10 %
Barclays Bank	9½%
Barnett, Christie Ltd.	11 %
Bremar Holdings Ltd.	10½%
Brit. Bank of Mid. East	9½%
■ Brown Shipley	10½%
Cayzer, Bowater Co. Ltd.	10½%
Cedar Holdings	11 %
■ Charterhouse Japhet	10½%
■ C. E. Coates	10½%
Consolidated Credits	12 %
Continental Trade Bk.	9½%
Co-operative Bank	* 9½%
Copleys Bank	11½%
Corinthian Securities	9½%
Credit Lyonnais	9½%
G. R. Dawes	10½%
Duboff Brothers	11½%
Duncan Lawrie	10½%
English Transcont.	11½%
First London Secs.	9½%
■ Antony Gibbs	10 %
Goode Durrant Trust	10 %
Greyhound Guaranty	9½%
Grindlays Bank	10 %
■ Guinness Mahon	10½%
■ Hambros Bank	9½%
Hawtin & Partners	13 %
■ Hill Samuel	§10 %
C. Hoare & Co.	† 9½%
Julian S. Hodge	10½%
Industrial Bank of Scot.	9½%
Jacobs, Kroll	11½%
Keyser Ullmann	10½%
Kinghurst Securities	12 %
Lloyds Bank	9½%
London & European	11½%
London Mercantile	11½%
Midland Bank	9½%
■ Samuel Montagu	9½%
■ Morgan Grenfell	9½%
Morris Wigram Ltd.	11½%
National Westminster	9½%
Northern Comm. Trust	11½%
Norwich General Trust	10 %
Portman Guaranty	11 %
P. S. Refson & Co.	9½%
Rossminster Accept'cs	9½%
Royal Trust of Canada	10½%
E. S. Schwab	11½%
Security Trust Co. Ltd.	11 %
Shenley Trust	11½%
Standard & Chartered	9½%
Sterling Credit	12 %
Stewart Salmon & Co.	9½%
Thames Guaranty	12 %
Trade Development Bk.	9½%
Twentieth Century Bk.	11½%
United Bank of Kuwait	9½%
Wallace Brothers Bank	10½%
Whiteaway Laidlaw	10 %
Williams and Glyn's	9½%
Yorkshire Bank	9½%

■ Members of the Accepting Houses Committee.
* 7-day deposits 6½%. 1-month deposit 6½%.
† 7-day deposits on sums of £10,000 and under 6½%, up to £25,000 6¾% and over £25,000 7½%.
‡ Deposit Base Rate 9½%.
§ Demand deposit 7½%.

FINANCIAL TIMES STOCK INDICES

	May 9	May 8	May 7	May 6	May 5	May 2	A year ago
Government Secs.	57.46	57.73	57.15	56.77	56.55	57.49	58.32
Fixed Interest	57.35	57.24	56.92	56.68	56.97	57.62	57.87
Industrial Ordinary	333.5	351.1	322.9	311.1	315.0	330.7	307.2
Gold Mines	377.2	375.1	364.0	363.3	362.2	375.5	329.7
Ord. Div. Yld. %	6.21	6.24	6.39	6.62	6.57	6.27	6.44
Earnings Yld.%(full)(a)	18.15	18.25	18.67	19.28	19.12	18.28	16.60
P/E Ratio (net)(a)(b)	7.73	7.69	7.51	7.24	[illegible]	7.64	8.59
Dealings marked	6,551	7,500	8,490	6,254	4,582	7,780	†6,688
Equity turnover £m.	—	89.00	56.50	65.04	65.33	100.47	60.74
Equity bargains total	—	19,156	[illegible]	19,018	19,442	24,256	15,656

10 a.m. 328.0. 11 a.m. 332.9. Noon 335.2. 1 p.m. 335.3. 2 p.m. 335.3. 3 p.m. 335.9.

Latest Index 01-246 8026. Excluding regional exchanges.

(a) Based on 52 per cent. corporation tax. (b) Nil=7.70.

Basis 100. Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

HIGHS AND LOWS

	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.54 (20/3)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.51 (21/3)	50.53 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	355.5 (22/4)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	423.6 (25/2)	280.2 (20/1)	425.4 (13/11/74)	43.5 (26/10/71)

S.E. ACTIVITY

—	May 9	May 8
Daily—		
Gilt-Edged	118.0	147.1
Industrials	238.9	257.3
Speculative	60.6	78.9
Totals	149.6	170.7
5-day Av'ge		
Gilt-Edged	128.0	150.8
Industrials	238.4	250.2
Speculative	67.0	80.7
Totals	150.9	156.6

FT—ACTUARIES INDICES

—	May 9	May 8	May 7	May 6	May 5	May 2	A year ago
Industrial Group	131.36	129.72	126.38	125.06	125.57	130.61	122.43
500 Shares	141.93	104.06	135.29	132.61	[illegible]	140.29	132.81
Div. Yield pc.	6.19	6.28	6.49	6.68	6.49	6.26	6.14
P/E Ratio (net)	6.93	6.85	5.60	5.47	6.60	6.84	8.19
All Shares	141.74	139.98	135.59	133.14	135.82	140.87	130.73
Consols yield pc.	15.86	15.13	15.36	15.47	15.68	15.32	14.68

MINING NOTEBOOK

Gold share heavyweight from Scotland

BY LODESTAR

IT WEIGHS 6¼ pounds. It measures about nine inches by 15. It is the most remarkable collation of factual analysis of the South African gold-mining industry that has ever come my way or anyone else's.

And it does not come from a London broker. It is the work of Edinburgh's Bell, Lawrie, Macgregor and Co. For analysts it must be the all-time bible. If anyone wants to dispute this, I will be happy to hear from them—if only from a purely selfish aspect.

Likewise, I have yet to receive an analysis of this magnitude which is prepared to sum it all up in a really straightforward league-table of best buys. The Edinburgh firm is doing this every week. The May 8 verdict is that Vaal Reefs, West Driefontein and Buffelsfontein are top of division one while Western Areas is the leader in category 2. The architect of the whole exercise is the well-known mining analyst, Mr. Ian Wright.

Dividend outlook

The overall verdict of a work which has obviously taken many months to prepare but which is being updated on a day-to-day basis is that good class gold shares can still be recommended at current levels. This is despite the fact that the pending June dividend season for the South African mines is likely to be disappointing, a factor reckoned to have already been discounted in share values following the below-expectation March quarterly earnings.

The many unknowns posed in viewing the current quarter results make it a very difficult exercise to forecast next month's half-year dividend declarations, but a wide consensus of opinion should be worth detailing for the guidance of shareholders in the Northern hemisphere.

Before doing so it is worth making a further point from the Edinburgh analysis, namely that the very nature of South Africa's gold-mining taxation system means that the Government tends to absorb a substantial proportion of inflationary rises in costs.

The average tax rate is 58 per cent. of profits after the deduction of capital expenditures. So, it is argued, a 10 per cent. cost increase is effectively reduced to 4.2 per cent. after tax. On the March quarter basis the decline in net profits is calculated to have been 21 per cent. less than the fall in gross operating profits.

Blyvoor

So, taking into account that there could be a catch-up in the gold price received in the June quarter, next month's dividends could still be in the upper bracket of analytical predictions.

That for Blyvoor, for instance, could be 60 cents to make a 1974-1975 total of 110 cents (69.4p), up from 90 cents for 1973-74. With a life estimate of 16 years Blyvoor comes number six in the Bell Lawrie Macgregor league table.

The Buffelsfontein final for the year to June is put at a minimum 75 cents which would make a 1974-75 total of 150 cents (94.6p) against 160 cents. The life in this case is put at 20 years and the league table position is number three.

Number one is Vaal Reefs with a June interim dividend possibility of 80 cents on the way to a 1975 total of 160 cents (100.9p) which would actually be below last year's 220 cents. The reasoning here is that the shares, following the poor March quarter performance brought about by labour and conveyor breakdown troubles, are discounting a potentially disappointing 1975 performance which should be far surpassed in the years to come.

Randfontein

Some analysts have been looking for Randfontein to come back into the dividend list next month. The annual statement by the chairman Mr. B. A. Smith issued over the week-end throws some new light on future distribution policies. It is intended to restart dividends as soon as it is "practicable to do so." But their level depends on whether or not an expansion programme goes ahead at the new Cooke gold mine, designed to make it a major producer of uranium when demand has become strong and prices high as expected in the latter part of the 1970s and early 1980s.

Such a programme would involve the establishment of what would in effect be a new mine in the No. 3 shaft area. Capital costs would be high, and could not be financed entirely from earnings. The go-ahead thus depends on finding suitable sources of finance, especially as Mr. Smith thinks that equity funding should be avoided if possible. It is also desirable to secure firm purchasing commitments for uranium at favourable prices.

Despite the loan finance now being sought it is obvious that the expansion programme must dampen dividend possibilities. Mr. Smith says payments would have to be pegged at "modest levels" for a few years. But he reckons that the magnitude of the benefits to be derived would bring "substantial future rewards" to shareholders.

Randfontein are £29½. Before Mr. Smith's statement some analysts were going for 1975 dividends totalling 50 cents (31.5p) but if the expansion plan is decided upon there will doubtless be a more modest restart of payments. The last was a humble 4 cents for 1970. So it is to be hoped that shareholders will be kept fully in the picture because Randfontein's market price must be largely conditioned by whether or not the plan is to go ahead.

Next week I shall be looking at another batch of dividend possibilities.

Exploration

According to reports from Dublin, Northgate Exploration is "very happy" about the visual appearance of the latest drill core brought up from the probing of ground near Tara Exploration's big Navan zinc-lead deposit. The evidence from the drilling programme should also be a useful guide to the siting of the boreholes on the adjacent area being explored by the Messina-Sabina partnership. It is believed that a second drill is being moved on to this ground.

Northgate were 335p on Friday and Sabina 115p. The latter company is also deriving "encouragement" from the prospecting of its Red Lake gold property in Canada as announced by the president Mr. Bill Cummins in Friday's Mining News column.

The General Mining annual statement confirmed the report given here on April 21 that this South African mining house is seeking gold in the southern Orange Free State, although it said that at this stage there was no proof of any geological formations of economic significance. But there seemed to be an optimistic gleam in the eye of managing director Dr. W. J. de Villiers when I mentioned the subject to him last week.

London tea sales

At the tea sales held in London last week 43,582 packages sold realised an average price of 57.54p per kilo compared with 57.37p at the previous sale and against 59.44p a year ago. Plain tea was quoted at 54p.

	No. of kilos	Average per kilo
	No. of kilos	Average per kilo
African Highland Prod.	84.256	55½p
Assam Co	30.720	56½p
Assam Dooars	5.530	52p
Assam Frontier	100.238	56½p
Attaree Khat.	17.938	55p
Borelli	21.039	56½p
Central Africa	33.747	56p
Central Provinces	88.749	58p
Chulsa	8.603	53½p
Cons Estates	16.768	57p
Cons Tea and Lands	15.168	55½p
Dekhari	35.250	59p
Demodera	18.729	55½p
Eastern Assam	35.298	57½p
Hanipha	10.180	56½p
Kanan Devan	28.226	56p
Kenya	88.302	63p
Lanka	6.718	54½p
Luleri	43.099	57p
Moran	45.427	57p
Nayabedde	17.150	57½p
New Dimbula	24.300	59½p
Ouvah	32.438	58½p
Pabbojan	73.067	57p
Scot. Tea and Lands	[illegible]	57½p
Spring Valley	11.444	57½p
Tanganyika	14.982	62p
Tingri	11.854	56p
Tukuyu	37.716	58½p
Upper Assam	19.806	57½p

Stocks at May 2 amounted to 78.791 metric tons compared with 33,933 metric tons a year ago. Converted at 48.988 kilos per package.

WEEKLY AVERAGES OF U.K. INDICES

Week to—	May 9	May 2	Apr. 25	Apr. 18
Financial Times				
Govt. Secs.	57.13	57.19	58.61	59.42
Fixed Interest	57.05	57.62	58.83	59.57
Industr'l Ord.	322.7	330.9	341.4	329.4
Gold Mines	368.4	373.6	376.5	348.3
Dealings mkd.	6,631	7,488	10,560	3,035
F.T. Actuaries				
Ind. Group	127.02	130.39	133.73	124.41
500-Share	137.03	140.32	143.31	132.29
All-Share	137.26	140.97	143.41	131.66
20-year Govt.	46.43	46.19	47.60	49.09
Red. Debs.	46.47	46.55	47.74	48.87

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	Buxton Antiques Fair (cl. May 17)	Pavilion Gardens
To-day	U.S. Telecommunications Systems (cl. May 16)	U.S. Trade Centre, W.1
May 13—16	London Electronic Component Show	Olympia
May 13—16	Audio Visual at Work Exhibition	Metropole, Brighton
May 17—27	Leicester Motor Show	Granby Halls, Leicester
May 18—21	Display and Shop Equipment Exhibition	Olympia
May 19—24	Scottish Materials Handling Exhibition	Kelvin Hall, Glasgow
May 20—22	British Toy Fair	Cunard Intnl. Hotel, W.6
May 20—22	Fabrics for Spring '76	Celanese House, W.1
May 20—23	Intnl. Conf., Tobacco and Newsagency Exbn.	Earls Court
June 2—6	National Printing Machinery Exbn.	Olympia
June 2—6	National Wire Exhibition	Belle Vue, Manchester
June 9—11	Minicomputer Exhibition	Regent Centre Hotel, W.1
June 9—13	Small Part Production Exhibition	Birmingham
June 10—11	EIA Engineering Exhibition	Southend
June 10—12	Print Fair	Cunard Intnl. Htl., W.6
June 11—21	Grosvenor House Antiques Fair	Grosvenor House, W.1

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Current	Intnl. Packaging Exhibition (cl. May 15)	Dusseldorf
To-day	Nat. Industrial Production Show (cl. May 16)	Toronto
To-day	Furnace and Ind. Heat Equip. Exbn. (cl. May 17)	Paris
To-day	Surface Treatment and Ind. Finishing (cl. May 17)	Paris
May 18—21	Stationery Show	New York
May 20—27	International Trade Fair	Tel Aviv
May 22—June 5	Intnl. Communications Systems and Equip.	Moscow
May 22—26	Intnl. Carpet and Textile Fair	Milan
May 23—29	International TV Equipment Exbn.	Montreux
May 28—June 3	Mach. and Equip. for Wood Industries	Hanover
May 29—June 8	Paris Air Show	Paris
June 3—5	Materials Handling Exhibition	Cincinnati
June 3—8	Mechanical Handling Exhibition	Tokyo
June 3—12	International Fair	Barcelona
June 4—7	Furniture Production Exhibition	Cologne
June 6—12	Sewage and Refuse Engineering Exbn.	Munich
June 8—17	Technical Goods Fair	Poznan
June 9—13	Plastics Show of Canada	Toronto
June 10—13	Hospital Equipment Exhibition	Dusseldorf
June 11—22	International Fair	Lisbon

BUSINESS AND MANAGEMENT CONFERENCES

Current	Lond. Grad. Bus. Sch.: Corporate Fin. (cl. June 23)	Sussex Place, N.W.1
To-day	Inbucon: Unlocking Management Talent	Financial Times Cinema
To-day	Computer Power: Ad. NCC Filetab (cl. May 13)	Cannock, Staffs.
To-day	Louis A. Allen Ass.: Prof. Management (cl. May 16)	Royal Bath, Bournemouth
May 13	N-E London Poly.: European Higher Education	Royal Festival Hall, S.E.1
May 13	Inst. Intnl. Lic.: Marketing in Changed Climate	Eccentric Club, S.W.1
May 15	Henley Centre: Forecasts for U.K. Capital Mkts.	London Hilton, W.1
May 16	BACIE: Tech and Bus. Education Councils	Royal Lancaster Hotel, W.2
May 19	Inbucon: Energy Conservation	Financial Times Cinema
May 19—23	Dunchurch Coll.: Data Prep. Supervisors' Course	Dunchurch, Rugby
May 19—23	Kepner-Tregoe: Decision-Making	Kenilworth, Warwicks.
May 20—22	Orr and Boss: Know about Offshore Oil	Tower Hotel, E.1
May 21	Inbucon: Managing Inflation	Financial Times Cinema
May 21—22	BSC: Urban Environment AD 2000	Metropole, Brighton
May 21—23	Inst. Chart. Accnts.: Intnl. Fin. Management	Whateley Hall, Banbury
May 22—23	LAMSAC: The Computer and Trading Standards	London
May 27—28	Financial Times, Flight International and Air et Cosmos: World Aerospace and Air Defence Industries	Paris
May 27—30	Poly. Cen. Lon.: Applied Minicomputer Prog.	115, New Cavendish St., W.1
May 28	Eng. Market Res.: Selling Eng. Products	Manchester Bus. School
May 28—30	Guardian Bus. Serv.: Effective Interviewing	21, John Street, W.C.1
May 29—30	IPM: Personnel Statistics	Kingsley Hotel, W.C.1
June 1	W. D. Scott and Co.: Job Evaluation	43, Portman Square, W.1
June 2—4	Assn. Cert. Accnts.: Effective Internal Auditing	Hotel Russell, W.C.1
June 2—6	MIP-TV: World Wholesaling Convention	Cannes
June 2—27	Ashridge Man. Coll.: Management Development	Berkhamstead, Herts.
June 3—5	Telecommunications '75 Conf. and Exbn.	Metropole, Brighton
June 4	Inst. of Metallurgists: Materials Selection	City of London Poly.
June 4	Staniland Hall: Manpower Costs to 1980	London Hilton, W.1
June 8—10	HTS Man. Centre: Interviewing Skills	High Wycombe, Bucks.
June 8—12	BOTB: Special Libraries Assn. Conf.	Chicago
June 9	Coopers and Lybrand: Implementing Equal Pay	Glasgow
June 9—13	Brunel University: Decision Analysis	Uxbridge, Middlesex

EUROMARKETS

Mixed reaction in dollar sector

BY MARY CAMPBELL

THE DOLLAR sector of the Eurobond market was mixed last week with the Ascension Day holiday closing down continental centres on Thursday, but with some evidence of increased activity during the rest of the week. One new issue has been announced, $40m. for Norsk Hydro. Coupon is 9¾ per cent. and maturity nine years. No compromises have been made on the maturity—average life is 8.375 years.

However, the issue appears to have met with more success than might have been expected from the maturity alone. Hambros, the lead manager, says that the response has been very encouraging and that it should be covered by to-day.

In the D-mark sector, declining coupon rates in the domestic sector are helping the foreign bond market. The latest issues include DM100m. for Estel and a private placement of DM50m. for the Norwegian company Borregaard. There is evidence, however, of some superfluity of Austrian paper.

The Eurobond market will be quiet towards the end of next week when the annual conference of the Association of International Bond Dealers takes place. It would appear that a strong regional movement has taken place during the last year—and that it is because much has already been done at the regional level that the meeting will last only one day.

Another sign of regionalisation is that nominations for the board have apparently developed on a regional basis even though there are no rules to this effect. Subjects for discussion at the meeting are expected to include this move towards regionalisation together with other reports by the committee covering liaison with the U.S. bond market and the committee for market practices.

The scale of loans in the medium term lending sector has definitely increased recently. A number of loans for $100m. or more are either near completion or expected in the market shortly. Nationalities of borrowers or expected borrowers include Poland, Indonesia, Greece, Mexico and Spain.

AGA goes for growth

By William Dullforce

STOCKHOLM, May 11.

AGA, the Swedish industrial gas, welding and electronics concern, which has just taken over the Corona heat engineering company, anticipates a 10 per cent. growth in combined turnover this year and earnings per share equal to the Kr.21.50 recorded last year.

Encouraging sales developments during the first months of 1975 in the gas and welding divisions indicate that they will balance the continuing market weakening for radiators and the considerable cost increases anticipated. Mr. Sven Aagrup, the managing director, predicts in the 1974 annual report that AGA, which is now one of the world's leading gas concerns with over 200 factories in 19 countries, will improve its trading profit by an annual average of 10 to 15 per cent. over the next five-year period.

Substantial investments will be needed on all the concern's markets, if it is to improve its share, and last year a new programme was started involving expenditure of over Kr.350m. (£37m.) in the two-year period to the end of this year.

The concern's external sales climbed 18 per cent. last year to Kr.1.66bn. (£175m.), producing an increase of nearly 10 per cent. in pre-tax profit to Kr.143m. (£15m.). The Board recommends a Kr.0.50 rise in dividend to Kr.5 per share. The AGA equity is being increased by Kr.25.4m. to Kr.175.4m. to finance the Corona takeover. Corona had a Kr.410m. (£43.2m.) turnover last year and is expected this year to "take a significant step" towards a 1976 target of Kr.22m. in pre-tax profit.

Marine lifts capital

PARIS, May 11.

MARINE FIRMINY is to raise its capital by Frs.328.7m. to Frs.602.7m., to pay for transfer of assets from the De Wendel steel group which will give the latter around 63 per cent. in the enlarged company.

The De Wendel holding company, Cie Lorraine Industrielle et Financiere, is making over net assets valued at Frs.621.6m.

Two De Wendel portfolio companies, Lormetal and Ornas Beheer, are also transferring parts of their portfolio to Marine, valued at Frs.21.0m. and Frs.28.3m. to be remunerated by capital increases of 11.1m. and 14.5m. francs respectively. Reuter.

More inquiries for tankers

By James McDonald, Shipping Correspondent

ALTHOUGH there was a lit[illegible] more demand for large sh[illegible] from the Persian Gulf—at [illegible] time inquiries for four sup[illegible] tankers were being quote[illegible] tanker charter rates last w[illegible] at no time moved significan[illegible] towards profitable levels.

One broker, Lambert Broth[illegible] says: "The drift toward lay berths and breaking yards—the older and less economi[illegible] types is bound to continue [illegible] it is certainly beneficial to [illegible] market as a whole that suc[illegible] trend should continue, ther[illegible] contributing towards correct[illegible] the present imbalance betw[illegible] tonnage availability and inqui[illegible]

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indust.	Util.	Trading volume '000's
May					
9	67.64	171.91	850.13	77.20	28,440
8	67.69	170.72	840.50	76.37	25,960
7	67.58	170.85	836.44	76.47	22,360
6	67.63	171.80	834.33	76.25	25,410
5	67.54	174.12	855.60	75.19	22,570
2	67.32	171.99	848.43	74.64	25,210
1	67.35	170.76	850.96	74.89	20,660
Apr.					
30	67.34	171.39	821.34	74.04	18,060
29	67.37	168.02	803.04	74.16	17,140
28	67.55	169.66	810.00	74.77	17,350
25	67.47	168.46	811.80	75.05	20,360
24	67.63	167.57	803.66	75.19	19,050
23	67.71	166.95	802.49	76.60	20,040
22	67.74	169.28	814.14	76.52	35,190
21	67.58	171.15	815.08	76.49	23,960
18	67.66	169.37	808.43	76.56	22,610
1975 High	68.92 (4/4)	174.12 (6/5)	855.60 (5/5)	81.56 (21/1)	—
Low	66.18 (3/1)	146.47 (2/1)	632.04 (2/1)	72.02 (3/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	163.32 (20/4/65)	—
Low	—	13.23 (8/7/32)	41.22 (2/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

May 2	Apr. 25	May 4, 1974
4.55	4.80	4.50

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	May 9	May 8	May 7	May 6	May 5
47.88 (8/5)	37.06 (2/1)	47.88	47.44	47.15	46.81	47.60

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,842	1,064	449	329

	May 9	May 8	May 7	May 6	May 5
New Highs	244	156	81	166	164
New Lows	5	11	7	7	10

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1975 High	1975 Low	May 9	May 8	May 7	May 6	May 5
87.58 (9/5)	62.20 (2/1)	87.58	86.67	86.11	85.74	85.46
Volume ('000's)		5,140	2,880	2,480	2,960	2,690

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
May 9	102.05	90.53
8	100.98	89.56
7	100.45	89.08
6	99.93	88.64
5	101.67	90.08
[illegible]	100.66	89.22
2	100.56	89.22
1	99.54	86.16
1975 High	102.05 (9/5)	90.53 (9/5)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. † 425 Industrials, 60 Utilities, 15 Rails.

STOCK AND BOND YIELDS

	May 7 1975	Apr. 30 1975	May 8 1974
Ind. Ord. yield pc	3.76	3.85	3.59
Ind Ord. p/e ratio	9.63	9.59	11.65
Long-term Govt. Bds. per cent	8.14	8.09	8.73

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Am. T. & T. Wts.	1,001,600	[illegible]	[illegible]
Occidental Petrlm.	791,500	16½	+1⅛
Hercules	446,500	[illegible]	[illegible]
Magic Investment	317,600	16½	+2⅛
Consumers Power	306,200	13⅞	—
Pan Amer. Air	242,600	4	+ ⅛
Texaco	203,000	24⅞	+ ⅜
Am. Family	198,000	9⅞	+ ⅛
Levitz Furniture	194,800	4⅛	—
Inter. Tel. Tel.	192,500	24⅞	+ 1

TORONTO

INDUSTRIAL INDEX

May 9	May 8	1975 High	1975 Low
185.90	184.82	188.09 (17/4)	159.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

May 9	May 8	1975 High	1975 Low
186.34	184.77	186.34 (9/5)	159.83 (2/1)

COMBINED INDEX

May 9	May 8	1975 High	1975 Low
186.85	185.54	188.97 (17/4)	166.05 (2/1)

JOHANNESBURG

	May 9	May 2	1974-75 High	1974-75 Low
Industrials	208.1	208.8	210.5 (17/2)	185.0 (28/1)
Golds	301.1	293.7	379.1 (3/1)	283.2 (15/4)

(1958=100.) Source: Rand Daily Mail. * 1974.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	May 8	May 1	April 24
On Dividends	7.48	7.43	7.29
On Earnings	14.17	15.17	13.81

SYDNEY ALL ORD. INDEX

May 9	May 8	High 1975	Low 1975
362.12	351.75	369.48 (14/1)	289.38 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

May 10	May 9	High 1975	Low 1975
331.73	330.76	331.72 (8/5)	268.24 (10/1)

HONG KONG INDEX ●

May 9	May 8	High 1975	Low 1975
309.55	309.92	353.64 (22/4)	160.42 (9/1)

SINGAPORE INDEX §

May 9	May 8	High 1975	Low 1975
254.88	255.76	269.69 (11/3)	153.26 (8/1)

EUROPE

	May 9	Prev.	1975 High	1975 Low
Belg'm (a)	(n)	110.86	111.75 (5/5)	[illegible] (2/1)
Denm'k (b)	87.65	81.35	85.52 (12/4)	73.16 (13/1)
France (c)	70.4	70.1	72.8 (23/4)	52.70 (2/1)
Germ'y (e)	710.6	711.9	736.1 (15/4)	573.5 (3/1)
Holland (f)	106.0	105.8	107.6 (5/5)	85.5 (2/1)
Italy (g)	100.21	100.10	106.88 (21/3)	88.95 (6/1)
Spain (h)	107.25	107.42	110.38 (22/4)	91.36 (10/1)
Sweden (j)	368.56	367.27	374.58 (12/4)	310.5 (8/1)
Switz'd (m)	288.6	283.9	290.1 (6/5)	246.2 (2/1)

Indices and base dates (all base values 100):—(a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December, 1953. (f) Amsterdam Industrial 1970. (g) Milan General 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (n) Unavailable. ● Hang Seng Bank 31/7/64. § Straits Times 1966. (z) Closed. † Adjusted.

AUSTRALIAN WEEKLY LIST

Australian $	May 9	May 2	Australian $	May 9	May 2
Advertiser Newspap'r	†1.13	†1.12	Kiwi Int.	†0.34	†0.35
Ansett Transport	†0.65	†0.65	[illegible]	†1.80	†2.00
Assd. Securities	†0.50	†0.55	Mauri Bros	†0.90	†0.90
Aust. Guarantee	†1.70	†1.68	Mayne Nickless	†1.37	†1.33
Aust. Paper M'nf'r'g.	†0.98	†1.01	Nylex Corporation	†0.55	‡0.60
Boral	†1.65	†1.60	Olympic Cons.	†0.58	†0.60
Bramble Inds.	†1.20	†1.17	Overseas Corporation	†1.15	†1.15
Burns Philip	†1.80	†1.85	Petersville	†0.22	†0.20
Carpenter (W.R.)	†1.15	†1.15	Queensland Cement	†1.20	†1.23
Castlemaine Perkins	†3.12	†3.10	QBE	†0.55	†0.60
Coal & Allied	†2.08	†2.04	Rocla Industries	†0.82	†0.90
Commercial Bank	†2.40	†2.55	Swan Brewery	†1.26	†1.22
Commercial Union	†0.27	†0.25	TV Corporation	†2.25	†2.15
Common'w'lth Mining	‡1.90	†2.00	Thiess	†2.25	†2.15
Grace Bros	†1.18	†1.18	Thomas Nat. Trans.	†1.00	†1.00
Hardie Asbestos	†2.98	†3.10	Tooheys	†1.28	†1.26
Herald & Weekly	†1.70	†1.71	Travelodge	†0.20	†0.23
Humes	†0.60	†0.64	Woodside Burmah	†0.62	†0.65

† Buyer. ‡ Seller.

TEL AVIV STOCK EXCHANGE

Company	Prices May 11 1975	Change on the week
Banking Insurance and Finance		
Bank Leumi Le Israel	188	+1.0
I.D.B. Bankholding	194	—
Bank Hapoalim Br.	214	—
Union Bank of Israel Br.	212	—
United Mizrachi Bank	140.5	—
Hassneh Insurance Br.	225.5	+1.5
Wolfson Clore Mayer Br.	64.5	—4.0
General Mtge. Bank Br.	181.5	—
'Tefahot' Israel Mort Bank Br.	206.5	—5.5
Land Development		
Africa Israel Invest (I£ 10)	217	—
Israel Land Devel. Br.	84.5	—3.5
Property and Building	144	—6.0
Mehadrin	189.5	+18.5
Public Utility		
Israel Electric Corp	134	—
Investment Companies		
Bank Leumi Invest	138	—1.5
Discount Bank Invest Br.	150.5	—3.0
'CLAL' Israel Invest	200	—1.0
'CLAL' Industries	97	+7.0
Commercial and Industrial		
Alliance Tire & Rubber	375	+5.0
Elco Br.	124.5	—1.5
Argaman Textile Br.	197	—9.5
'Ata' Textile 'B'	72.5	—0.5
Dubek Br.	373	—2.0
Elec. Wire & Cable Br.	125	—2.0
Solel Boneh 10% Pref. Br.	137	+1.5
American Israeli Paper Mills	288	+30.5
Assis	154	—
Taal Manuf. of Plywood Br.	103	+5.0
Elite	171	+1.0
Polygon	95	+5.0
Fuel and Oil		
Delek	140	—7.0

Source: Bank Leumi Le Israel, Tel Aviv.

HONG KONG

Hong Kong $	May 9	May 2
Government Loan	85.00	85.00
Amalgamated Rubber	1.55	1.56
Bowaters	9.00	9.00
Cathay Securities	1.72	1.70
China Light & Power	15.10	15.00
City Hotels	22.80	24.00
Cosmopolitan Properties	0.90	0.94
Cross Harbour Tunnel	6.75	6.90
E. Asia Navigation	4.00	4.25
Hong Kong Aircraft	29.80	29.00
HongKong&WhampoaDock	12.00	[illegible]
Hong Kong Electric	5.27	5.42
HongkongKowloonWharf	12.00	12.40
Hong Kong Land Invest	6.60xc	6.90
HongKong Shanghai Bank	14.30	14.80
HongKongShanghai Hotls	6.50	6.50
Hong Kong Telephone	13.10	12.80
Hutchison International	2.70	2.70
Do. Do. Preference	85.00	85.00
Indonesia Consolidated	‡0.95	0.80
Inter. Pacific Securities	7.50	7.40
Jardine Matheson	26.20	25.70
Jardine Secs.	7.75	7.65
Lombard Insurance	85.00	86.00
Rubber	†1.47	†1.46
Sime Darby	6.80	6.90
Southn. Pac. Prop.	0.64	†0.65
Southsea Textile	†11.80	11.80
Swire Industries A	14.50	14.50
B	2.70	2.65
Swire Pacific A	7.45	7.50
Textile Alliance	9.20	9.20
Textile Corp of HongKong	5.50	5.30
Wheelock Marden	3.40	2.85
Wheelock Maritime	†2.60	2.47
Winsor Industrial	1.40	1.43
Wynncor	†6.20	6.00

† Buyer. ‡ Seller. Xd Ex div.

SINGAPORE STOCKS

May 9	*$	May 9	*$
Industrials		Straits Times	4.22
		StraitsTrad'g	5.90
		Temenggong	2.10
		U. Engineers	1.24
Bows	3.67	Wearne	2.22
Boustead	‡4.50	Tractor	3.30
Dunlop	‡5.50	Chemical	4.40
Esso	2.55	Will'm Jacks.	—
Fraser Neave	[illegible]		
Haw Par	2.61	Rubbers	
Hume Ind.	1.63	Batu Lintang	1.19
Inchcape	2.61	Dunl'p Estate	1.95
Jardine	3.10	Kempas	2.38
Malay Brew.	—		
Malay Cemt.	‡2.40	Tins	
Mal. Tobacco	†4.30	Austral. Am.	—
Metal Box	†2.80	Berjuntai	12.86
Ov's Chin. Bk	8.16	Kampar	3.05
Robinson	1.22	Kramat	—
Rothmans	2.99	Kuchai	—
Shell	2.33	Lower Perak	†1.63
Sime Darby	4.34	Petaling Tin	—
Cold Storage	3.10	Sungei Way	—
Straits S.S.	4.22	Tongkah Har.	—

* Buyer ‡ Seller Xd Ex dividend

JOHANNESBURG

MINES

Anglo American Corp.	5.00	—0.10
Buffels	21.60	+0.10
Charter	†3.70	+0.35
Cons. Gold	8.20	+0.30
East. Dries	10.75	+0.65
Elsburg	4.15	+0.15
Harmony	†8.40	+0.10
Kinross	7.80	+0.30
Kloof	12.25	+0.30
Leslie	1.50	+0.05
Pot plats	2.35	—0.10
St. Helena	†37.00	+0.50
South Vaal	†11.50	+0.75
Goldfields SA	†37.50	
Union Corp.	5.52	+0.07
De Beers Def.	3.15	—0.03
Blyvoors	†9.60	+0.10
E. R. Props.	†12.00	—0.10
F. S. Geduld	30.50	+1.00
Harnes	†36.00	+2.00
President Brand	25.00	+0.50
President Steyn	20.00	+1.50
Stilfontein	4.40	—0.05
Welkom	5.00	+0.10
West Dries	†52.50	+1.00
Western Holdings	240.00	+1.00
Western Deep	23.00	+0.08

INDUSTRIAL

African Explos. and Chem.	1.95	
Anglo-Amer. Industrial	†8.15	
Anglo-Transvaal Industries	1.30	
Associated Furniture	1.25	
Barlow Rand	3.95	
CNA Investments	‡2.20	
Currie Finance	0.60	+0.04
De Beers Industrial	†6.60	
Eveready SA	†1.39	+0.05
Federale Volksbeleggings	+2.11	
Glen Anil Development	3.10	
Greatermans Stores	4.00	
Guardian Assurance (SA)	†1.45	
Huletts	3.30	
LTA	1.55	+0.05
Nedsual	1.85	—0.05
OK Bazaars	8.50	—0.15
Premier Milling	5.60	+0.05
Pretoria Cement	†2.65	
Rembrandt Group	†1.80	—0.10
SAPPI	1.75	—0.05
Tiger Oats and Nat. Mlg.	7.65	—0.10

AUSTRALIA

May 9	Aust. $
Acrow Australia	†0.60
Adelaide Brig'ton Cem't 50c	†0.80
Allied Mnfg. Trdg. Indus $1	†1.45
Ampol Exploration	†0.48
Ampol Petroleum	‡0.42
Assoc. Minerals	†2.80
Assoc. Pulp Paper $1	†0.80
Aust. Con. Industries	†1.38
Aust. Foundation Invest.	†0.78
A.N.I.	†0.88
Aust. Oil & Gas	‡0.10
Blue Metal Ind.	†0.88
Bougainville Copper	†1.05
Broken Hill Proprietary	†6.02
BH. South	†1.95
Carlton United Brewery	†1.82
G. J. Coles	†1.09
CSR ($1)	†4.37
Cons. Gold Fields Aust.	†4.01
Container ($1)	†1.35
Conzinc Riotinto	†1.90
Cork Investments	†0.17
Costain Australia (50c)	†0.85
Dunlop Rubber ($1)	†0.85
ESCOR	†0.53
Elder Smith Gold M ($1)	†1.85
E.Z. Industries	†2.09
F. & T. (25c)	†0.65
Gen. Property Trust	†1.10
Hollin	†0.69
Hamersley	†1.35
Hooker	†1.10
I.C.I. Australia	†1.38
I.A.C. Holdings	†0.83
Inter-Copper	‡0.36
Jennings Industries	†1.05
Jones (David)	†0.92
Magellan Petroleum	†0.42
Meekatharra Minerals	†0.13
Metals Exploration	†0.36
MIM Holdings	†1.94
Myer Emporium	†1.32
News	†0.74
Nicholas International	†0.46
North Broken Hill	†1.23
Oakbridge	†0.67
Oil Search	†0.59
Pioneer Concrete	†0.80
Reckitt & Colman	†2.50
H. C. Sleigh	†0.34
Southland Mining	†0.14
Sticks & Holdings	†2.40
Tooth ($1)	†1.74
Waltons	†0.69
Western Mining (50 cents)	†1.69
Woolworth	†0.87

CANADIAN WEEKLY LIST

Stock	May 9	May 2
Alberta Gas Tk Line A	12⅝	12⅝
Argus Corp Ltd	25	25⅜
Brit. Colum. Tele	10⅝	10½
Bethlehem Copper	10½	10½
Can. Packers Ltd	18	18
Can. Perm Mort.	17⅛	17
Can. Investment Fund	4.69	4.65
Can. Pac. Inv. Cv. Pf A	†31	†30¼
Canron	18	16½
Conwest Exploration	2.90	3.10
Cornat Ind	4.70	4.70
Cr. Zell'rb'ch Can	‡17	‡17
Dom. Foundries	Unq	24
Dom. Stores Ltd.	17	17
Dom. Textiles Co.	† 8	7¾
Fraser Co. Ltd	20	†19
Frobex Ltd.	0.15	†0.15
Great Lakes Paper	20⅛	†19½
Husky Oil Canada	19⅝	17¼
Kilembe Copper	‡0.60	0.25
Labatt John	17	16½
Labrador Mining	26¼	†26
Nat. Drug & Chemical	†5.00	5.00
N. Canadian Oils	4.85	4.85
Oakwood Pet.	0.86	0.88
Pan Ocean Oil	12⅞	13½
Petrofina	19¾	19¼
Redpath	†21¼	†20⅝
Steinberg 'A'	19	†19
Teck Corp Ltd.	2.40	2.60
Traders Grp. "A"	13	13¼
Western Decalta Pet.	5.20	5.50

† Bid ‡ Asked

GERMANY ●

May 9	Price Dm	+ or —	Div. %	Yld. %
A.E.G.	85	—0.5	—	—
Allianz Versich.	480	—9	17	1.9
B.M.W.	254.5	—1	14	2.9
BASF	145	—1.4	17	5.8
Bayer	124	+0.2	17	6.5
Bayer Hypo.	346	—1	18	2.6
Bayer Vereinsbk.	341xd	—3	18	2.6
Commerzbank	216.5	—0.5	17	3.9
Conti. Gummi	78.5	—0.9	—	—
Daimler	308	+1.5	16	2.6
Degussa	248xd	+0.7	18	3.7
Demag	195	......	16	4.1
Deutsche Bank	349.6	......	20	2.9
Dresdner	244	—1.9	18	3.7
Dyckerhoff Zem't.	190	—2	14	3.6
Gelsenberg	85	—1	10	5.9
Gutehoffnung	175	—0.5	14	4.0
Hapag Lloyd	127	—2.5	9	3.5
Harpener (DM100)	153	—0.5	8	4.4
Hoechst	136.8	......	18	6.8
Hoesch	53.8	—0.7	7	6.4
I. G. Farbeninliq.	5.10	......	—	—
Kali Salz (DM50)	132	—1.5	5	1.9
Karstadt	460	+2	20	2.3
Kaufhof	257.5	+1.5	20	4.0
Kloeckner (DM100)	104.2xd	—0.8	5	5.4
Klockn Humbolt	136.5	—0.5	—	—
Kr'ssMaffei (D100)	595	......	18.5	2.6
Krupp Pf.DM100	159	—1	10	7.2
Kundenkredit. Bk	338	......	16	2.5
Linde	210.2	—2.5	16	4.0
Lowenbrau DM100	2,000	......	20	1.1
Lufthansa	64	—0.2	—	—
M.A.N.	166	+0.5	12	3.6
M'esmann DM100	262.5xd	—0.2	14	5.3
Metallge'lschaft	259xd	......	12	2.2
Munch. Ruckvers	545	—5	18	1.8
Neckermann	109.5	—0.5	6	2.8
Preussag DM 100.	161	—3	7	4.3
Rheinstahl DM50.	89m	......	v5	4.5
Rhein WestElect.	184	......	16	6.4
Schering	490	—2.5	20	2.6
Siemens	267.5xd	—0.5	16	2.7
Sudzucker	355	......	16	3.5
Thyssen	78.2xd	+0.2	14	8.7
Verein&West Bk	328	......	18	2.6
Zeiss Ikon	161	—7	10	6.1

PARIS

May 9	Price Frs.	+ or —	Div. Frs.	Yld. %
Air Liquide	369	+7.1	16.5	4.4
Aquitaine	546	+1	22.5	4.1
Beghin	134.1	—1.1	11.05	8.2
B.S.N. Gervais	625	+5	37.6	6.0
Carrefour	2,270	—12	57	2.5
Chargeurs Reunis	192	—0.2	15	7.8
Citroen	38	+2	3—	—
Fr. Petroles	138.7	+1.7	12.6	9.1
Cie Bancaire	438.6	+6.7	12	2.5
C.G.E.	342	—6	24	7.0
Cie du Nord	28.9	—0.05	1.8	6.2
Credit ComFr'nce	147xd	......	10.5	6.6
Credit Foncier	344	+3	27	7.8
Denain N.E.	171.2	+2.4	18.76	11.1
S. A. Dunlop	21	—0.5	5.25	24.4
EssoStandard	65.7	—0.3	[illegible]	7.9
Fin. Iens	66.2	......	3	4.5
Gal. Lafayette	120.5	+4.3	4.5	3.7
Gen. Occidentale	173.8	—1.5	6	3.4
Imetal	92.05	—1.85	4.5	4.8
Lafarge	188.1	—5.9	15	7.9
L'Oreal	919	+9	13.5	1.4
Machine Bull	38.45	+0.85	—	—
Michelin "B"	1,190	+18	25.5	2.0
Moet Hennessy	555	—1	10.2	[illegible]
Paribas	173	—2	16.5	9.5
Pechiney	130.9	+0.4	14.1	1.1
Peugeot (Frs.10)	277.9	—5.1	10.5	4.8
Pricel	175	+2	1[illegible]	6.9
Printemps	98.8	+0.5	3	3.0
Redoute	674	+4	1[illegible]	2.5
Rhone Poulenc	149	+3.9	15.75	10.8
Sacilor S.A.	87.8	+1.2	12	13.9
Saint Gobain	150	+0.1	13.2	8.8
Soc.Nat'd' Inv.	279.5	+7.5	22.6	8.1
Suez	244	......	22.5	9.2
C.S.F.	218.6	+4.8	9.45	4.4
Thomson Brandt	214	......	12.25	5.7
Usinor	93.05	—0.95	11.55	12.3

COPENHAGEN

May 9	Price Kroner	+ or —	Div. %	Yld. %
Burmeister & W.	84	—¾	—	—
Dan Landmandsbk	108¾	......	14	6.5
Dan. Provinsbank	157xd	......	10	6.6
Dan. Sukkerfab.	340	......	12	3.6
Superfos	245xd	+3	12	4.9
East Asiatic Co.	296¾	+¾	14	—
Finansbanken	206¼	+¼	13	5.5
For. Bryggerier	258¾	......	14	4.6
HandelsbankCop.	162	......	11	7.4
Papirfabrik For.	117¼xd	+2	10	8.6
G. Northern Hld.	183	......	14	5.9
Nord Kabel	244	+4	14	6.0
Oliefabrik	262¼	+¾	14	4.7
Privatbank	165¼xr	+¼	11	7.1
Soph. Berendsen	325	+2½	11	[illegible]

OSLO ●

May 9	Price Kroner	+ or —	Div. %	Yld. %
Amerikalinje	145	......	—	—
Bergens Privatbk.	100	—1.5	9	9.0
BergensDampskib	72.5	[illegible]	—	—
Borregaard	117.5xr	......	10	8.6
Brouugaard Kr80	1,750	......	13.5	4.6
Creditbank	104	......	9	8.8
Dalfoan Kr100	3,000	......	20	5.4
Elkem Spig Kr50.	157.5	+0.75	8	2.5
Follum	117.5	......	6	5.1
Hafslund	230xa	+30	10	2.9
Kosmos	480xd	—5	20	4.1
Kreditkassen	104	......	10	9.4
Norsk HydroKr50	495	—2.5	12	1.3
Orkla Ind.	100	......	6	2.8
Storebrand	145	......	10	6.9

AMSTERDAM

May 9	Price Fls.	+ or —	Div. %	Yld. %
Ahold (Fl.20)	100.6	+0.8	16	6.5
Akzo (Fl.20)	40.7xd	+1.2	20	9.8
Algem Bnk(Fl100)	429xd	—3	[illegible]	6.1
[illegible]	17	—0.5	1	5.8
AMEV (Fl.20)	68.5	—0.7	30	4.3
Amro Bank (Fl.20)	62.4xd	......	[illegible]	4.9
Van Berkels Fl.50	131	—2	[illegible]	6.2
Bijenkorf (Fl.20)	82.2xd	—0.5	21	5.1
Boss Westm. Fl.10	107.5	+1.5	52	4.8
Buhrm-Tetterode	72.5	+0.5	26	6.4
Elsevier (Fl.20)	485	+4	24	9.8
EuroComTst Fl.10	60xd	......	5.4	5.1
Gist Brocade Fl.10	79.7	+0.7	25	2.9
Heineken (Fl.25)	157	+1.5	14	2.1
HolmaHlds.(Fl.10)	40	—0.6	14	3.5
Holland Fund	706	+5	17	2.1
Hoogovens(Fl.20)	55.5	+0.2	26	8.9
H'nteDouglasFl.10	24	......	11	4.5
K.L.M. (Fl.100)	57.5	—0.2	—	—
Int. Muller (Fl.20)	57.5	+0.2	24	8.4
Naarden (Fl.10)	65.8xd	—0.4	30	5.1
Nat. Ned Ins'rance	88.8	+0.4	35.2	5.7
NedCredBk(Fl.20)	45.1xd	—0.4	18	7.4
NedMidBk(Fl.50)	165	......	15	4.9
Nedo (Fl.50)	65.5	—0.4	10	7.2
Nijverdal T. Cate	71.5	—1.5	6	8.3
OGEM (Fl.20)	190xd	+1	45	5.0
Van Ommeren	284.5	+3.9	20	7.1
Pakhoed (Fl.20)	165.5	+1.5	21½	2.4
Philips (Fl.10)	26.1xd	......	18	6.6
RijnSchVer Fl.100	238xd	—0.7	18	7.5
Robeco (Fl.50)	175xd	+1.5	25.1	7.2
Rolinco (Fl.50)	126.5	+1.4	[illegible]	1.5
Rorento (Fl.50)	111		—	—
RoyalDutch(Fl.20)	87.4	+1.1	40	9.2
Slavenburg's Bnk	274xd	—3	17	6.2
Tokyo Pac Hlgs$1	$U.S.30.4	+0.3	30.1	1.5
Unilever (Fl.20)	106	—0.2	36	6.8
VMF	169.5xd	......	13.5	7.1

BRUSSELS

May 7	Price Frs.	+ or —	Div. Frs. Net	Yld. %
Arbed	4,340	+20	380	8.9
Banque de Brux.	2,010	+10	—	—
Bekaert 'B'	2,240	+5	106	4.5
Brux Lambert	2,240	+40	—	—
C.B.R. Cement	2,350	......	150	6.4
Cockerill	1,280	—16	150	11.1
E.B.E.S.	2,590	—10	161	6.8
Electrobel	5,900	+20	370	6.2
Fabrique Nat.	1,425	—34	—	—
G.B.Inno-Bm	2,260	+50	130	5.7
Glace St. Roch	4,090	......	310	7.7
Hoboken	4,250	......	300	7.0
Intercom	1,915	......	129	6.7
Kreditbank	6,990	—10	225	3.2
La Royale Belge	5,890	—10	285	4.8
Petrofina	5,180	—90	170	3.3
Photo Gevaert	1,224	—6	75	6.1
Pieux Franki	6,690	—10	350	5.5
Soc. Generale	2,735xd	—35	175	5.8
Soc. Gen. Banque	3,100	......	175	5.8
Sofina	3,360	—140	195	5.7
Solvay 'A'	2,650	—25	170	6.5
Traction Elec.	3,200	—50	150	4.7
U.C.B.	3,370	+30	175	5.2
Un. Min.(1/10th)	1,600	—5	95	6.4
Vieille Montagne	4,910	+10	360	7.5
Wagon Lits	820	+16	55	4.1

SWITZERLAND ●

May 9	Price Frs.	+ or —	Div. %	Yld. %
Alum Bearer	1,285xr	......	12	4.7
Bally Hld. (Br.)	520	—10	—	—
Brown Boveri 'A'	1,310	—20	7½	2.9
CIBA-GEIGY Br	1,760	—20	22	1.2
Do. Do. Br Part	1,390	—15	22	1.7
Do. Do. Reg.	730	—15	22	3.0
Credit Suisse	2,820	—15	16	[illegible]
Fischer Acier	595	[illegible]	12	10.1
Gnd.Mag.del.Fln	1140xr	......	19	1.5
Hoffman LaRoche	110,500	......	1050	0.9
Interfood B	2,750	—100	20	3.7
Juvena Br.	1,210	—5	18	3.0
Do. P.S.	77	—1½	18	4.7
Landis&Gyr(F200)	780	+10	12	6.1
Nestle Bearer	3,385	......	n76.9	2.3
Do. Reg.	1,680	—15	n76.9	4.0
Sandoz (Br.) (F250)	5,275	—50	26	1.3
Saurer Action	925xa	—75	11	5.5
Soc. Inte. Pirelli	158	—7	14	8.5
Swissair(Br)F350	475xd	+5	[illegible]	[illegible]
Swiss Bank Corp.	555	—2	10	1.4
Un.Bank of Switz.	3,115	—10	20	3.2
Winterthur Bear.	2,180	+110	30	1.2
Zurich Ins. (Br.)	8,600xa	......	40	2.3

STOCKHOLM

May 9	Price Kronor	+ or —	Div. Kr.	Yld. %
Alfa Laval 'B'	350	+3	10	2.7
Asea	107	+1	5	4.7
AtlasCopco(K.25)	178	......	5.5	3.2
Billeruds	160	+1	9	5.5
Bofors	222	—6	d8	4.4
Cardo	291	+1	10.5	3.6
Cellulosa	237	+1	10	4.3
Electrolux 'B'	130	+2	5.5	4.4
Ericsson B (Kr50)	224	+1	6	2.8
Fagersta	163	—1	¢6	3.7
Granges (free)	147	......	11	7.5
Handelsbanken	180xd	—1	14	7.8
Marabou	160xd	......	8	4.9
Mo Och Domsjo	160xd	+2	9	6.3
Sakos	193	—2	6.5	3.4
Sandvik A.B.	243	—9	8	6.2
S.K.F. 'B' Kr50	107xr	+2	5.8	5.6
Skand Enskilda	169	......	14	8.3
Tandstik 'B' (Kr50)	95	—0.5	5	6.0
Uddeholm	150	+1	¢8	5.5
Volvo (Kr50)	139xr	—1	[illegible]	4.2

MILAN

May 9	Price Lire	+ or —	Div. Lire
Alitalia Priv.	1,150	—130	—
ANIC	1,011	+6	80
Assicur Gen.	4,970	+80	150
Bastogi	1,570	—3	70
Breda	2,665	—20	150
Burgo	14,400	......	550
Centrale	10,150	+10	200
CIGA	2,595	+15	—
Cucurini	5,910	......	270
Dalmine	470	......	—
Erba	5,975	......	125
Fiat	1,305	+16	100
Do. Priv.	974.75	+5.25	100
Finsider	355.25	—1.75	40
Generali	67,990	+410	500
IFI Priv	2,835	+36	150
Invest 'B'	2,501	+1	140
Italcementi	28,200	+100	550
Italgas	550	—3	40
Italsider	687	......	60
La Centrale	10,751	......	400
Marelli Ercole	661	—5	—
Mediobanca	77,700	—200	1,100
Mondadori Priv.	1,875	+15	90
Montedison	710	—6.5	35
Motta	1,750	......	—
Olivetti Priv.	1,048	+9	70
Pirelli & C.	[illegible]	[illegible]	95
Pirelli SpA	838	+6	—
RAS	82,700	+750	600
Rinascenti	100.75	+0.75	—
Rumianca	2,570	—5	—
S.A.F.F.A.	5,140	+80	200
S.T.E.T.	1,759	—20	100
Snia Viscosa	1,682	+12	72
Soc. Gen. Immob.	503	—2	—

TOKYO ¶

May 10	*Price Yen	+ or —	Div. %
Asahi Glass	258	1	16
Canon	241	+19	14
Dai Nippon Print	475	......	16
Fuji Photo Film	387	+2	16
Hitachi	167	+2	12
Honda Motors	619	+9	16
C. Itoh	445	—10	14
Japan Airlines	1,570	......	8
Kansai Elect. Pw.	705	—2	8
Komatsu	342	+1	18
Kubota	328	+1	15
Matsushita E.	587	—4	20
Mitsubishi Bank	381	+2	12
Mitsubishi Heavy	132	—1	12
Mitsubishi Corp.	503	+9	13
Mitsui & Co.	423	+3	14
Mitsukoshi	495	+3	20
Nissan Motors	360	—1	16
Shiseido	1,350	+20	25
Sony	3,250	+50	30
Taisho Marine	519	—1	11
Takeda Chemical	251	—1	15
Teijin	157	......	15
Tokyo Marine	576	......	11
Tokyo Elect. Pwr.	674	+4	8
Toshiba	115	—10	12
Toray	159	+1	15
Toyota Motor	677	—8	16

Source Nikko Securities Tokyo.

VIENNA

May 9	Price %	+ or —	Div. %
Creditanstalt	380xd	......	10
Perlmooser	367	—5	12
Selecta	745	......	48
Semperit	212	—3	4
Steyr Daimler	162	......	9
Veit Magnesit	407	......	22

SPAIN ♥

May 9	Per cent.
Asland	311.50
Banco Lopez Quesada	774
Banco Bilbao	1,022
Banco Atlantico (1,000)	731
Banco Central	1,070
Banesto (250)	704
Banco General	1,109
Banco Granada (1,000)	482
Banco Hispano	709
Banco Iberico	451
Indubau	490
Banco Ind. Cat. (1,000)	450
Banco Noroeste	319
Banco Occidental	670
Banco Popular	723
Banco Santander (250)	1,050
Banco Urquijo (1,000)	794
Banco Vizcaya	920
Banco Zaragozano	878
Bankunion	451
Altos Hornos	193.50
Babcock Wilcox	159
Cepsa	343
CIC	455
Croeinco	190.15
Dragados	490
Inmobanif	172
Energias Ara	172
Espanola Zinc	304
Expl. Rio Tinto	304.25
Fecsa (1,000)	132.50
Fenosa (1,000)	125
Finanzauto SA	533
Finanzauto Servicios	485
Gal. Preciados	400
Hidrola	157
Iberduero	233
Motor Iberica	231
Olarra	625
Petroliber	314
[illegible]	360
Seat (1,000)	222
Sevillana Elec.	146
Sniace	151
Telefonica	253
Tubacex	343
Union Elec.	145.60
Union y Fenix	625
Urbis	240

NOTES: Overseas prices exclude $ premium. Belgian dividends are shown after withholding tax.

◆ DM50 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ♥ Pta.500 denom. unless otherwise stated. ◆ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. ‡ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs: including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t [illegible] ated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. ▲ Interim [illegible] increased.

NEW YORK

1975 High	1975 Low	Stock	May 9
8¼	5¼	Addressograph	6⅝
26½	20	Aetna Life & Cas.	25½
77½	44¾	Air Products	75¼
20¾	10½	Airco	19⅝
24½	18⅞	Alcan Aluminium	22¾
49¼	27½	A.L.C.O.A.	48
53½	28⅞	Corning Glass	46
45¼	32⅝	CPC Int'nation'l	41⅞
50	26⅛	Crane	48¾
8⅞	6	Creole Petrol'm	7¼
26	14⅞	Crocker Nat. U.P.	25⅝
37¼	24⅛	Crown Zellerbach	36⅜
25¾	18¾	Cummins Engine	23½
13	8½	Curtiss-Wright	13½
24½	19¼	Johns Manville	23¼
98⅞	72¼	Johnson Johnson	96¾
12¾	8	Johnson Control	13
68½	42¾	Joy Manufactur'g	67
33⅝	12⅞	Kaiser Alumin'm	31
9	4¾	Kaiser Industries	9
34¾	20⅞	Kaiser Steel	36¾
4⅝	2⅞	Kay	4⅛
39⅞	31¾	Kennecott	39
8¼	5¼	Rapid American	6
44⅞	25¼	Raytheon	46¼
19	10⅝	RCA	17½
3¼	1¼	Reading	3⅛
35¼	22⅝	Republic Steel	32½
75	52½	Revlon	75¾
22⅞	14⅝	Reynolds Metals	23⅝
56¾	49½	Reynolds R. J.	55⅝
22⅞	13⅞	Rich R. Merrell	21⅝
21¾	10	Zenith Radio	21⅝
81½	79⅜	Chile 5% 1993	†83
95	95	Peru 3% 1993	†95
99⅝	99½	U.S.Treas6½%1974	†99⅝
87	†85½	U.S.Treas4% 1980	†85⅞
79½	78⅝	U.S.Treas4¼%75/85	†79⅞
6.74%	5.32%	U.S. 90 days bills	5.35%

CANADA

هكذا من الأصل

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

INSURANCE, PROPERTY, BONDS

Money & Exchanges

Bank of England Minimum Lending Rate 10%
(Since May 2, 1975)

Short-term interest rates were stronger in some cases in the London money market last week, though the Bank of England Minimum Lending Rate was unchanged at 10 per cent. The one-month sterling certificate yield was a little lower on balance, falling to 9⅝-9⅜ per cent., from 9¾-9⅝ per cent., but the three-month hardened to 10⅛-10 per cent., from 10 1/16-9 15/16 per cent., and the one-year to 11¾-11⅝ per cent., from 11⅞-11⅝ per cent. Day-to-day credit was in a fair supply over the week.

Sterling fell to its worst levels ever in the foreign exchange market, on the Bank of England calculation of its trade-weighted average loss against 14 leading units since the Washington Currency Agreement of December, 1971, which widened on balance to 24.4 per cent., from 23.1 per cent. Conditions were unsettled, with the strength of the French franc a major influence (with moves being made on Friday for a re-joining of the French franc to the European common-float). In terms of the dollar, the pound fell 195 points on the week, to $2.3175-$2.3185. The dollar's trade-weighted fall against 14 currencies since the Washington Agreement, on the Morgan Guaranty basis narrowed a shade, to 6.78 per cent., from 6.79 per cent., but sterling's depreciation on a similar basis widened to 29.54 per cent., from 27.88 per cent., while the French franc's appreciation widened to 5.28 per cent., from 4.49 per cent.

Gold rose $¾ an ounce on balance in London, to $165½-166½. The Krugerrand ended in places in domestic business at $203½-206 (£87¾-88¾), against $197½-202½ (£84½-86).

EXCHANGE CROSS-RATES

May 9	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf't	—	2.350 353	57.70-.80	6.50-62	0.470 475	98.09-12	93.60-70
N. York	42.25 35	—	24.30 40	2.545 255	2.3050 3090	41 50 .60	39.55 .65
Paris	172.77o-175	4.0862 0762	—	11 650-875	9.444 4665	169 475-875	161 4-62.1
Brussels	14 83-88	34.81-.96	8.56 60	—	81.04-.24	14.54 60	15 88 93
London	5.44½ 45½	2.3175 85	9.46½ 47½	0 90 81.10	—	5.56 57	5.81½ 82½
A'm'erdam	101.25-102.0	2.3992-4017	58.975 025	6885-8735	0.5625-75	—	95.555-605
Zurich	106 54-61	2.507-511	61 54-.59	7.1575 1875	5.8085 8200	104 37-.59	—

U.S.$ in Montreal, U.S.$1 = 103.00 92 Canadian cents
Canadian $ in New York, $C1 = 97.18-16 U.S. cents; U.S. $ in Milan 628.14
Sterling in Milan 1461.60.

EURO-CURRENCY INTEREST RATES*

May 9 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch guilder	W.German mark	Swiss franc
Short term	11-12¼	4⅞-5⅜	5¾-4¾	5-4	4½-4⅞	4⅛-5
7 days notice	12⅝-13⅛	5-5½	6 7	5 4	4½-4⅞	4-4⅛
Month	12-13	5⅛-6	5⅝-6⅞	4⅝-4⅞	4 9/16-4 11/16	5⅛-5⅜
Three months	12¾-13¼	6⅝-6⅞	7¼-7½	4⅞-5⅛	4⅝-4¾	4⅝-4⅝
Six months	13⅝-13⅞	7⅛-8	8-8¼	5⅞-6⅛	5¼-5⅝	5⅛-5¾
One Year	13¾-14¼	8⅛-8⅝	8 11/16-8 11/16	6⅞-7⅛	5⅞-6	6¼-6⅛

Euro-French deposit rates two days' notice 8½-8¾ per cent.; seven days' notice 8-9⅛ per cent.; one month 8½-8⅞ per cent.; three months 9½-9⅞ per cent.; six months 9¾-10 per cent.; one year 10⅛-10½ per cent.

Longer-term Eurodollar deposits: two years 8½-9⅛ per cent.; three years 9½-9⅞ per cent.; four years 9½-9⅞ per cent.; five years 9¾-9⅞ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 5½-5 9/16 per cent.; three months 6¼-6½ per cent.; six months 7-7 1/16 per cent.; one year 8 7/16-7 15/16 per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two-days notice for guilders and Swiss francs.

May 9 1975	Sterling Certificates of deposits	Inter-bank	Local Authority deposit*	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills ♦	Bank bills ♦	Fine trade bills ♦
Overnight	—	4½-10	4-10	—	—	—	3-9	—	—	—
2 days notice	—	—	7¼-7¾	—	—	—	—	—	—	—
7 days or 7 days notice	—	7½-8¼	7¾-8¼	—	10-10½	—	7⅛-8¾	—	—	—
One month	9⅝-9⅜	9¼-9½	8¾-9	11-9⅞	10-10½	—	8½-9	9¼-9⅜	9⅜-9⅞	10¾-12
Two months	9⅞-9 11/16	9⅞-9⅞	—	11-9⅞	10-10½	—	9¼	9⅜-9 5/16	9 11/16-9 13/16	10¾-12
Three months	10⅛-10	9⅞-10⅛	9⅞-10	11-9¾	10¼-11	—	9⅜	9½	9¾-9 13/16	10¾-12
Six months	10 11/16-10⅝	10⅝-10½	10¼-10⅝	11½-10⅝	11 1/16-12	—	—	—	10¾-10⅞	10¾-12
Nine months	11⅝-11⅝	11⅜-11¾	—	12-11½	—	—	—	—	—	—
One year	11¾-11⅝	11½-11⅝	12⅝	12¼-11¾	—	—	—	—	—	—
Two years	12½-12	12-12½	13¼	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice others seven days' fixed. *Long-term local authority mortgage rate nominally three years 13⅝ per cent.; four years 13¾-14 per cent.; five years 14-14¼ per cent. ♦ Bank bill rate in table is buying rate for prime paper. Buying rates for four-month bank bills 10⅛-10⅜ per cent.; and four-month trade bills 10⅞-12 per cent. Approximate selling rate for one-month Treasury bills 9⅛-9¼ per cent.; two-month 9⅛-9 5/16 per cent.; three-month 9¼ per cent. Approximate selling rate for one-month bank bills 9⅛-9¼ per cent.; for two-month 9 9/16-9 11/16 per cent.; and three-month 9⅝-9 13/16 per cent.; for one-month trade bills 10-10½ per cent.; two-month 10-10½ per cent.; and three-month 10-10½ per cent.

Finance House Base Rate (published by the Finance Houses Association): 10½ per cent. from May 1. Clearing Bank Deposit Rates for small sums at seven days' notice 6½ per cent. Clearing Bank Base Rates for lending 9½ per cent. Treasury Bills: Average tender rate of discount 9.4774 per cent.

GOLD MARKET

	May 9 1975	May 8 1975
Gold bullion (a fine ounce)		
Close	$165½-166½	$166¼-167¼
Opening	$166¼-167¼	$165½-166½
Morning fix'g	$166.00 (£71.116)	$165.75 (£70.803)
Afternoon fix'g	$166.75 (£71.275)	$166.25 (£71.047)
Gold coins (domestically)		
Krugerrand	$203½-206 (£87¾-88¾)	$204-209 (£87¼-89¼)
New sov'r'gns	$62½-65 (£27-28)	$65-67¼ (£27¾-28¾)
Old sov're'gns	$62½-65 (£27-28)	$65-67¼ (£27¾-28¾)
Gold coins (int'rn't'n'ly)		
Krugerrand	$170½-172 (£73½-74¼)	$171-172½ (£73-73¾)
New sov'r'gns	$52-53¼ (£22½-23)	$52½-54 (£22-23¼)
Old sov're'gns	$50-51½ (£21½-22¼)	$50½-52 (£21½-22¼)
$20 Eagles	$235-240	$238-243
$10 Eagles	$120-125	$123-128
$5 Eagles	$90-95	$93-98

FOREIGN EXCHANGES

May 9 1975	Bank Rates %	Market Rates: Day's Spread	Market Rates: Close
New York	6¼	2.3170-2.3405	2.3175-2.3185
Montreal	8¼	2.3825-2.4055	2.3835 2.3845
Amsterdam	6	5.56 5.62	5.56-5.57
†Brussels	7	80.80-81.70	80.90-81.10
Copenh'gen	8	12.70-12.89	12.71-12.72
Frankfurt	5	5.44-5.51	5.44½-5.45½
Lisbon	6½	56.40-57.11	56.40-56.60
Madrid	†7	129.60-130.61	129.80-129.90
Milan	8	1,455 1,467	1,455 1,457
Oslo	6½	11.44 11.56	11.44 11.46
Paris	10	9.43 9.52	9.46½-9.47½
Stockholm	7	9.10 9.21	9.10 9.12
Tokyo	6½	675-686	675 678
Vienna	6	38.50 38.90	38.60 38.70
Zurich	5	5.81-5.89	5.81½-5.82½

† Basic discount. ‡ Rates given are for convertible francs: closing financial franc 83.72-83.92. * Rate given is for May 8.

OTHER MARKETS

			§Note Rates
Argentina	♦ 23.10-23.35	Argentina	80 100
Australia	1.7179-1.7389	Austria	38 39½
Brazil	18.05 18.25	Belgium	83½-85½
Finland	8.21-8.22	Brazil	19-22
Greece	69.602 71.214	Canada	2.37½ .39
H'ng K'ng	11.35 11.40	Denmark	12.85 .90
Iran	155 50 155 50	France	9.55-9.60
Kuwait	0.664-0.674	Germany	5.40 5.60
Luxemb'g	80.80-81.70	Greece	67½-69½
Malaysia	5.2190 5.2490	Italy	1,45 -,48
N.Zealand	1.7485 1.7585	Japan	684-70
Saudi Ar'bia	8.10-8.25	Neth'rl'ds	5.45-5.70
Singapore	5.2240-5.2490	Norway	11.40 .55
S.Africa	1.6777-1.6924	Portugal	56 59½
U.S.—		Spain	127½-132½
Canada		Switz'l'nd	5.75-6.00
US$1		U.S.	2.32 2.34
U.S. cents	97.22-97.26	Yugosl'ia	47½-50½

§ Based on rates quoted by specialist dealers. Other rates may be quoted elsewhere. ♦ Rate given is the commercial rate; financial rate 34.83-35.03. ♠ Rates given are liable to sharp fluctuations. (sg) Selling.

FORWARD RATES

—	One Month	Three month
New York	1.35-1.25 c.pm	3.80-3.70 c.pm
Montreal	1.20-1.10 c.pm	3.50-3.40 c.pm
Amst'dam	4-3 c.pm	11-10 c. pm
Brussels	35-15 c.pm	110 90 c.pm
C'p'nh'g'n	5-2 ore pm	11 8 ore pm
Frankfurt	4-3 pf. pm	12-11 pf pm
Lisbon	2 c.pm-60 c.dis	6 c.pm-120 c.dis
Milan	4½-1½ lire pm	9 6 lire pm
Oslo	3 ore pm-par	6 3 ore pm
Paris	3-1 c.pm.	9-6 c pm.
Stockholm	3 ore pm-par	7-4 ore pm
Vienna	25-05 gro pm	75-45 gro pm
Zurich	4½-3½ c pm	12½-11½ c.pm

Six-month forward U.S. dollar 7.00-6.90c. pm and 12-months 13.10-13.00c. pm.

CORAL INDEX

Close 329-334

Base lending rates, Page 27

Waterford Glass Limited

Well-based for expansion

Salient points from Senator Patrick W. McGrath's Statement for the year ended 31st December, 1974.

The Smith Group figures have been included for the first time, and I am happy to say have made a satisfactory contribution to the turnover and profits of the Group. The overall group results are considered to be satisfactory in view of the very heavy increase in the cost of wages, salaries, materials, energy and other items. Shareholders will also note the very significant effect of the high interest charges which amounted to £1,728,000 compared with £524,000 the previous year.

Profits and Dividends
Group profit before tax amounted to £3,546,000 compared with £2,622,000 in the previous year. A final dividend of 12% is proposed, which together with the interim dividend of 8%, makes a total of 20%, the same as last year.

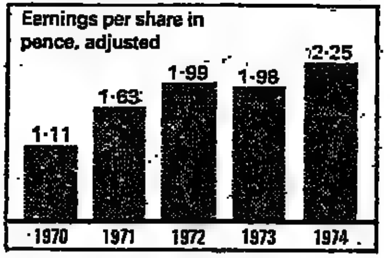
Parent Company
In my statement last year I mentioned that a more flexible approach to prices had been adopted and as a result our profit margins improved during the first six months of the year under review. However, the onrush of increased costs continued unabated so that the profit margins for the second part of the year were inadequate. Further price adjustments have taken place and it is anticipated that normal margins will be restored. Demand for Waterford Crystal continues at a very high level. Our European subsidiary commenced operations during the year. Sales in Europe are still only a small proportion of the total but they are almost double those of the previous year.

Aynsley China Ltd.
Once again record production and sales were achieved by this company. Profits also increased and expansion of the company's facilities together with its products and its markets continues.

Switzer Group
The capital programme embarked upon last year has still not been fully completed but vast improvements have been made in most of the group's retail outlets. It is expected that most of the alterations will be completed by the middle of the summer and that increased trade and profits during the autumn will restore the group to a more satisfactory level of profit.

John Hinde Ltd:
This company, once again, had a successful year with a satisfactory increase in turnover and profits.

Smith Group
Sales of Renault cars were extremely satisfactory during the year and the units sold and percentage of market share increased.
The two other major activities of the group, namely construction and hire purchase, increased their contribution.
Accordingly, the Smith group profits were somewhat ahead of budget and also ahead of the results for the previous year. It is hoped that all the areas of this group's activities will expand in turnover and profits during the current year, although it is difficult to forecast performance in the motor industry.
The emphasis on diversification over the last few years has given the Smith Group a much broader base and the contribution from its non-motor activities is growing significantly.



Future
Whilst the outlook for the coming year is extremely difficult to forecast, your group is well based for a considerable expansion and improvement in its profitability. Barring a further serious deterioration in the economic situation I would hope that the current year will show further growth.

Copies of the report and accounts may be obtained from the Secretary, Kilbarry, Waterford, Ireland.

Hand-engraving a Waterford Crystal vase.

We should be told the good news about Britain, Mr. Wilson insists

FINANCIAL TIMES REPORTER

QUESTIONS ranging from the social contract to the prospect of a coalition Government were raised when the Prime Minister was interviewed at Chequers yesterday on Weekend World, the London Weekend Television programme.

Talking of the Britain he found on his return from the Commonwealth Conference in Kingston, Jamaica, Mr. Wilson told interviewer Peter Jay:

"While I've been away, in fact nothing has happened. there hasn't been a single new index published, but I come back and find not only journalists, commentators, but some politicians rushing round like wet hens as though some devastating crisis has hit the country.

"As far as I can tell, an American journalist, very distinguished, either came over or rang somebody up, talked to the kind of cocktail circuit in that sort of square mile of London where all the gossip hot house occurs, didn't go—as far as I know—and talk to the people who are really doing a job of work, either in London or elsewhere, broadcast from America . . . and then it comes right back to Britain, feeds back and people suddenly feel things to be a lot worse."

Mr. Wilson added: "I have said we face the gravest crisis we have faced since 1931, particularly of course because of what has hit us over oil, the trade balance that we inherited a year ago.

"The problems are as great as ever, but they are not worse, and nothing has happened that in any way reduces the capacity of Britain to overcome those problems."

What he didn't think anyone was paying sufficient attention to was things that were going right. "That's not news of course, especially when we've got a Labour Government with the kind of Press we've got.

"But in fact, of course, things were far worse with the three-day-week, with the country divided with the confrontation a year ago and we're still paying the price to some extent for that."

On the trade balance, Mr. Wilson said that "even before the oil surcharge hit us, before a single Arab oil producer turned off the tap or put on this five-fold increase in oil prices, we had the most ghastly balance of trade deficit we've ever had in our history.

"Now if you exclude the oil figures, we have been for the last three or four months pretty well in balance. Now that is not good enough. We've still got to pay for the oil; we can't go on borrowing.

"We've said that all along, I it is something to have redu a balance of payments def that was £2.5bn., without oil something much more mana able. Now no-one is giving he lines to that. Why? Because is good news.

"Coal: we've had great pr lems, now, productivity is ris to record levels and we're gett more miners. There are g things happening."

He added: "Isn't it right when people have put in a gr effort to get our exports record level, virtually eliminate that ghastly deficit we had in autumn 1973, to say

"I'm not blaming anyb I'm just saying that there good signs and, if we talk al the pound or the balance of ments, then trade is more vant than anything else th been mentioned."

Pre-Budget planning talks offered to unions

Mr. Wilson said that "far too many people are insisting on wage levels, wage rates, wage earnings that cannot be afforded in relation to the criterion you've just mentioned about living standards for this year.

"We said so all along, and of course, the severity of Mr. Healey's Budget was partly conditioned, as he said very frankly to the country, by the fact that if people award themselves more wages some of it's got to be taken back in tax, otherwise you really get a dangerous rate of inflation.

"It's bad enough as it is, but it would increase inflation. All right, what does he do? He puts taxes on certain things: drink, tobacco, cars and so on, and that increases the cost of living index, and next thing people say I want that back, I want that made up in my wages. Now that is what we can't afford . . .

"What I would like to see done more—I've advocated it before and I think we're coming to it now—is for the Government to sit down at the beginning of each financial year, and at intervals thereafter, with the trade unions, with the employers and all the other useful people in the country, and say:

"Now look. This is what we think the product of the country is going to be for next year, this is going to be the total income of the country, so much is already committed to social services, to essential Government expenditure, to defence, whatever is the right figure for that.

"Now if you were going to take, any of you, more in salaries, wages, profits, capital gains or anything, out of the economy more than what is left, then either we have to take it back in taxes or in insurance stamp contributions or we've got to cut the social services and then try and get some kind of pre-Budget consensus of what the country can afford and what they will work to, all of them.

"And having done that, monitor it every two or three months."

"If you are going to ask people to work their guts out, as we need to do—to forgo the luxury of a strike which we can't afford, then I think the more we can have in the way of consultation, both nationally on what the country can afford and also right down on every factory level on methods of production and on cheaper production and the rest, then I think the better, if we can do that . . .

"It would be good to have a discussion about what sort of things might have to give. Are we going to give up or reduce some essential, as we all feel, social expenditure affecting so many families or are we going to say: well, that won't be necessary if we can show more restraint in incomes. This is really what Denis Healey has been talking about. There's nothing new in what I am saying but I am saying that we ought to consult more about it.

Chrysler strikers asked to study company's plar

Discussing strikes, Mr. Wilson said: "I have had occasion to attack the strike-proneness within British Leyland, in a speech I made in my constituency at the beginning of the year with a lot of car workers and sometimes people can't see far enough ahead.

"You have got a case now with Chrysler, I myself, this is not generally known, talked to the head of Chrysler International and the head of Chrysler Europe because I was anxious they might think of pulling out of this country at a time of contraction when Detroit was on about a two-day week, as got some assurances.

"But I believe that the as ances I got can only be re people can agree a reason proposition with the Chry management to-day and th why I utterly deplore wh going on.

"I don't know. I have studied the details. I think have rejected it without stud the details too, but I want to a great deal more indus democracy of this kind.

"And I really am horrifie feel it has just been turned of-hand without it b examined."

Benn 'an Old Testamen prophet without a bear

On the subject of Mr. Anthony Wedgwood Benn Mr. Wilson remarked: "I'll just deal for a moment with the question of different ideas put forward by Ministers. At the present time with the Common Market referendum, I have taken the view that this cuts so deep within parties and even within families, that I felt it right that there should be some freedom to express different points of view because the people are going to decide and we must all accept the decision of the people when they do decide.

"And so far as I am concerned there'll be a crackdown on any kind of cacophony or, shal say there will be an orchestr harmony of voices there. But—and you have ment some of my colleagues— Benn I think has many of qualities of a great Old T ment prophet without a b who talks about the New Je lem he looks forward to at future time, but the polic decided quite clearly by Cabinet. And on all these tions about the mixed econ about the National Enter Board, about public owner and these other things, the net has clearly decided anc shall stick clearly to the Cal decision."

Guardian Royal Exchange Assurance

Statement by the Chairman J. E. H. Collins, MBE., DSC

Summary of results

	1974 £m.	1973 £m.
Premiums written Fire, Accident, Motor and Marine	368.5	332.9
Investment Income	32.2	28.1
Underwriting Transfers		
Fire, Accident, Motor and Marine	(7.5)	1.3
Life	3.7	2.9
Profit before taxation	28.4	32.3
Less Taxation	14.2	15.1
Profit for year after taxation	14.2	17.2
Less: Preference and Minority Interests	.9	.9
Profit for year, after taxation, available to Ordinary Shareholders	13.3	16.3
Dividends to Ordinary Shareholders	7.8	6.8

A Year of Challenge

I have called 1974 a year of challenge as I have seldom known this country or this Company faced with so many difficulties at one time.

At home we started the year with industrial troubles and the three-day week. This was followed by a change of Government, two budgets and uncertainty in financial affairs, and nothing is worse for business than uncertainty. We finished the year with many of these matters unresolved and the question still to be settled of our remaining in the E.E.C.

Overseas we suffered from a series of natural disasters, from growth in government control, and from unwise competition in a number of territories. Competition we accept, but excessive rate-cutting is never helpful to the insurance market as it must lead to the weakening of the market and to higher premium increases when they have to be made.

To ensure that we continue to grow at the pace we would wish, we recently made a rights issue to our shareholders of one share for four of our shares held. This raised a sum of £31.6m., and means that our capital and free reserves at today's values, in relation to the premium income we write, will again be approximately 50%, which makes us one of the companies with the highest backing in the market.

Underwriting – Fire, Motor and Accident

For some years we have reported the spread of our business round the world and it is useful to repeat it in these comments as it does give some indication of the impact of the results in the main areas in which we operate:–

United Kingdom and Eire	41%
Germany	19%
Canada	9%
Australia	8%
Rest of the World	23%

Home
Although fire wastage in the United Kingdom increased from £194m. in 1973 to £265m. in 1974 including the effect of the Flixborough fire loss which cost the Group £2.8m., we were still able to show a small profit on our home fire account.

It was necessary during the year to increase our motor rates to meet the escalating cost of repairs and the high compensation awards which are now a regular feature, but we were able to make a modest profit. Against these profits we had to set a loss on the accident account where the premiums for this class of business did not keep pace with the increasing liabilities.

These results have been achieved despite the higher cost of handling our business, and it cannot be overlooked that the expense ratio has risen during the year by very nearly 1%, principally due to salary increases and pension contributions. Although the Company is exercising every possible economy, further increases in premiums will be necessary in many classes.

Overseas
We had to report last year that in Australia, Government action arbitrarily and retrospectively increased the compensation payable to injured workmen without the companies having any opportunity of increasing their rates proportionately. Further provisions were necessary in 1974, and regrettably we also suffered heavily from natural disasters, through the floods in Queensland and New South Wales, followed by the cyclone which hit Darwin at the end of the year. Whilst we were not seriously affected by the Darwin cyclone as far as personal insurance was concerned we were involved as international underwriters in a number of schedules of leading companies, which resulted in heavy losses. Our total loss on the revenue account in respect of our operations in Australia exceeded £8m.

Germany is a territory in which it is extremely difficult to make a technical profit on underwriting. However, the Albingia achieved an increase of 29% on investment income and the overall result was a useful profit.

In Canada we predicted that insurance was becoming more difficult and the competition for business has led to unwarranted rate-cutting. As a result Canada was not a profitable area in 1974.

We have, however, a very wide spread of business and were fortunate that many areas in the world made valuable contributions to profit. I would particularly mention Brazil, East Africa, the Far East (which includes Hong Hong, the Philippines and Thailand), Ghana, New Zealand, Nigeria and South Africa. The profits which came from these territories compensate for the losses we suffered in Canada and Germany and the loss on our operations in Australia accounted for more than the loss of £7.5m on our short-term revenue account.

Marine and Aviation

Higher ship-building costs and unprecedented rises in basic commodity prices combined to make 1974 a year of record exposures in the marine market and, regrettably, record losses. Although the volume of the tonnage lost during the year shows a slight improvement on 1973 the value involved has substantially increased, and with the concentration of risks in a diminishing number of higher valued units, i.e. ships and cargoes, it has become increasingly difficult to underwrite a balanced book in the marine market.

It would be thought that in this climate underwriters would have written with considerable care, but due to the high rates of interest which have been obtainable a small number of underwriters have been prepared to do what I can only describe as gamble on the certainty of underwriting losses by quoting unrealistic rates which they have endeavoured to set off against the interest earned on their funds. It will only be when the market writes for a genuine profit on underwriting that we will see the very necessary improvement.

Life

New life and annuity business written in our life department at home and overseas continued to expand at a satisfactory rate in spite of difficult economic conditions in the United Kingdom.

The results for 1974 were:-

Net new business:	1974 £m.	1973 £m.
Sums assured	1,593.4	1,264.8
Annual premiums	24.3	20.7
Single premiums	22.5	23.3
Annuities per annum	35.3	27.9

Home
In 1974 the demand was more for the traditional classes of life assurance, and away from single premium business, particularly property bonds and income and growth bonds. The unsettled state of the property market, and increased taxation of the proceeds of certain types of bonds, were contributory factors.

Bonuses
We were able to maintain declared bonuses of up to £4.75 per cent. at the end of the year, demonstrating that our with profits life assurance contracts still provide one of the most satisfactory forms of saving available to the public.

Overseas
Our subsidiaries in South Africa (now including the acquisition of the Sun Life of Canada's South African business), Canada and Germany also make important contributions to the Group's new business and these companies did well to achieve worthwhile increases in new premium income as compared with 1973. In Australia, New Zealand and Hong Kong, our most important branch operations, the trend towards a larger proportion of term assurance type business continued in 1974 but the overall results fulfilled expectations.

Profit and Loss Account

The principal item in the Profit and Loss Account is our investment income which increased from £28.1m. to £32.2m. The comparison was adversely affected by the fact that we were not able this year to bring in any profit from our property and estate development companies, which were affected by the general depression in the property markets. The rate of increase of the rest of our investment income at 28.3% was, I thi satisfactory.

The maximum permissable dividend has b paid and, as stated in the offer document of the ri issue, it is the Directors' intention, in the abse of unforeseen circumstances, to pay not less t the same rate of dividend on the increased ca in 1975.

Directors and Staff

Following the Annual General Meeting and appointment as Chairman two new appointm were made. – Mr. C. E. A. Hambro was ele Deputy Chairman and Mr. Keith Showering appointed an additional Vice-Chairman. The Deputy Chairman and the two Vice-Chairmen h been of the greatest help to me in handling affairs.

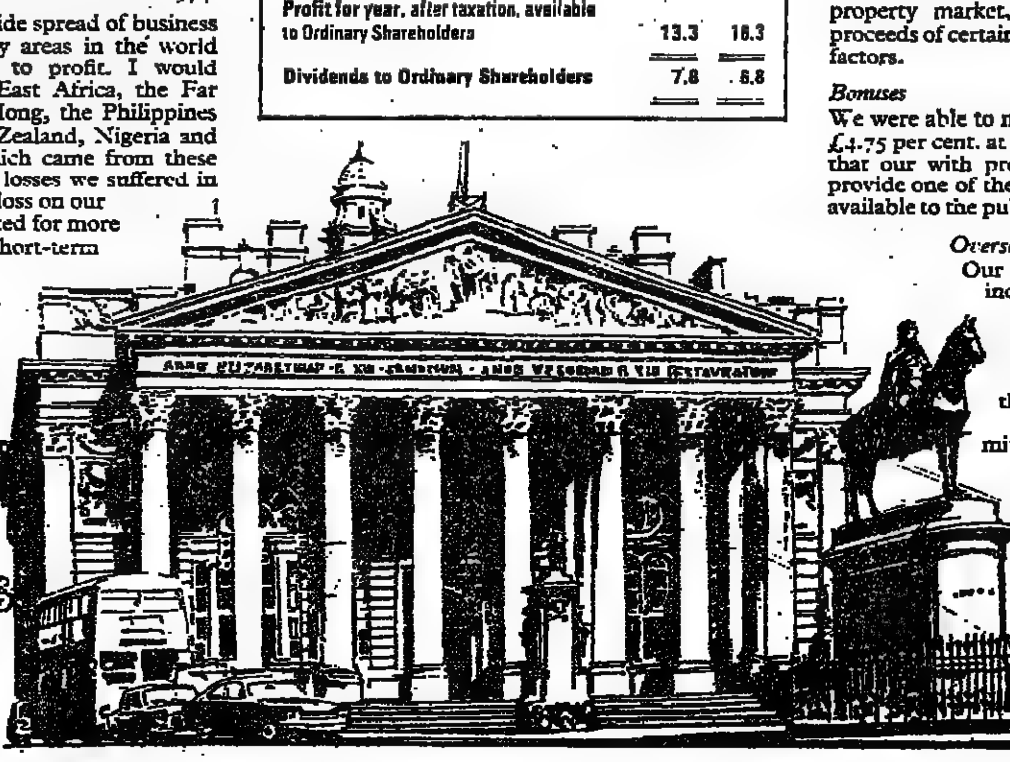
Our staff throughout the world have a contributed very fully to the success of our op tions, and it is always a pleasure to record my th and those of the board for all they have done.

The Future

We are at the moment awaiting the introductio the Policyholders Protection Bill in Parliament. industry has indicated that it is fully prepare co-operate with the Government in looking afte private policyholders in this country up to a sonable limit sufficient to allow the disciplines o market to apply, but I think we are entitled to ex that the interpretation of the new legislation wi such that the British Insurance industry will have the freedom which is so essential if it is to n its vital contribution to the economy of this cour

On the subject of legislation I feel I must say not only do we suffer from monetary inflation also from what I can only describe as legisla inflation: Politicians of all parties keep up pres on Parliament and civil servants for more and n legislation, resulting in ill-drafted Acts, a ste increase in the Civil Service and a continuing st on the economy. For a long time industry has su ed from a steady run-down in profitability and resources due to inflation, increasing taxation latterly, various forms of price control. I think time that the continuing criticism of indu might cease and its real role of being the life-bl of the country realised. If the Government ca control inflation at least it will do less harm allows industrial profitability to be restored. absence of satisfactory levels of profit can only to unemployment and numerous bankruptcies could even create conditions that could imperil democratic society.

We have had to use all our expertise to proc not unfavourable results in the past year. Every is a new and real challenge, but we can, I think, for continuing satisfactory operations in many o traditional areas in which we have traded for a long time. I see no reason to anticipate that results will not be somewhat better in 1975 on underwriting side, fully supported by our profit and the rising investment income.



Copies of the Annual Report for the year 1974 obtainable from the Secretary, Guardian Royal Exchange Assurance Limited, Royal Exchange, London EC3V 3LS.

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Coal Board wins big gas contract

By David Fishlock, Science Editor

THE National Coal Board has won a substantial contract for natural gas from a private company in Yorkshire, at a price "slightly below" the price charged by British Gas.

The gas will be extracted from the NCB's Grimethorpe and Houghton main pits, near Barnsley, and pumped to the adjoining works of Carlton Main Brickworks, to fire a new tunnel kiln.

The contract covers a five-year period, during which the NCB will be supplying nearly 1m. therms a year.

Natural gas is a by-product of coal mining, associated particularly with the higher ranking coals in Britain, such as those of Yorkshire and Swansea, where it may be present in the seam in large quantities and at high pressures. Since it can form an explosive mixture with air when diluted to less than 15 per cent., for safety reasons it has to be exhausted from the seam.

Constraints

The NCB estimates that "drain gas" from 60 pits amounting to about 100m. therms a year is being pumped to the surface of the pits. Of this, it believes some 60 per cent. could be maintained sufficiently pure—that is, diluted with not more than 40 per cent. of air—to meet legal constraints on its use.

The NCB is finding a use for some 40m. therms a year, worth about £2m., mostly at the pit head to fire boilers and dual-fuel engines. Another 12m. therms are being sold to area gas Boards, and 4m. therms to the NCB subsidiary National Smokeless Fuels, mainly to fire coke ovens.

Until the contract was signed with Carlton Main Brickworks, private customers accounted for only 300,000 therms annually. Discussions with other potentially large consumers are continuing, says an NCB official.

*

CLARKE CHAPMAN is to make a range of drilling equipment for the IDECO drilling and well servicing operation of Dresser Industries, of the U.S. Clarke Chapman's crane and bridge division will manufacture 12 heavy duty duplex mud pumps at a total cost of almost £1m.

Other items of drilling equipment which will follow, subject to final agreement on price and delivery, include draw-works rotary tables, swivels and travelling blocks and hooks.

*

AGA NAVIGATION AIDS, Brentford, Middlesex, has won an order worth more than £100,000 for marine lighting equipment to mark the widened approach channel to the port of Bandar Shahpur in Iran. The equipment will be mounted on piles being erected either side of the dredged channel.

SELBY COAL MINE SCHEME

The hopes and fears of people sitting on a £200m. mine

BY OUR LEEDS CORRESPONDENT

EVERYONE IN the Selby area of Yorkshire accepts that, soon, they will be sitting on top of the world's largest coal mine complex. In the town's Museum Hall the formalities of the public inquiry into the Coal Board's plans for the £200m. mine drag into the seventh week, but it is in the bare back rooms that the action takes place.

As soon as a contentious point looms before the inquiry, the lawyers and experts tiptoe away to thrash out a solution. Compromise has followed compromise as all sides actively seek to avoid conflict which, with the national need for the coal recognised, would delay the development.

Ripple effect

Even so the inquiry will take several more weeks to complete. Everyone wants his safeguard from the ripple effect the mine will have in this rich agricultural belt. To-morrow the West Yorkshire County Council travel into the territory of the North Yorkshire County Council to have their say and seek their safeguards.

Although the mine is in North Yorkshire, the West Yorkshire people have fears of road chaos and de-population as the Selby pit swings into its 10m. ton a year production.

All the coal will have to go through West Yorkshire villages to the power stations. The men from Wakefield County Hall do not want their roads jammed with traffic held up at level crossings every few minutes as the coal trains trundle through. But neither do the Selby people want the same trains re-routed to disturb their peace.

Dr. Edmund Marshall, Labour MP for Goole, has suggested the re-opening of a former rail line, but that will require the demolition of a new housing estate built on the old rail site. The solution in all probability will be reached in another back room conference.

West Yorkshire's fears of a mass emigration from the Castleford, Featherstone and Normanton areas may be more difficult to overcome. The drab old mining towns have struggled for years to keep going as their pits near exhaustion and alternative work is slow to move in.

"We do not want the Selby mine to siphon off miners from that area at such a rate that the old pits are forced to close sooner than they would. Nor do we want a thousand mining families or more moving out of the old towns to the Selby area. That could be a disaster for the society that is left," explained one Yorkshire official.

They want careful monitoring and planning of manpower moves to prevent the feared collapse of the old mining towns.

The spirit of conciliation will make the job of the Secretary for the Environment much easier when eventually he has to decide on ground rules for the mine's development. Selby people were concerned over the positioning of the five satellite mine shafts and were threatening to dig in their heels. But after longer-than-usual back room talks the shafts were re-positioned, and re-positioned again to every one's satisfaction.

The proposed height of the mine towers, at 96 feet., disturbed the villagers in whose areas they will be built. But a patient explanation by experts that the high-rise towers were necessary for the safe winding of men to and from the pit brought acceptance from the villagers.

There have been odd incidents which have shaken every one. British Rail dropped a bombshell that they would re-route the main London-York-Scotland railway line away from Selby to avoid running through subsidence zones—making the town into a railway backwater.

Then there was tragedy during the first evening session (held to enable individuals to have their say without losing working time) when an elderly parish councillor, having completed his evidence that village roads would not cope with the increased traffic, collapsed and died.

Next spring

At the start Mr. Mathew Adamson, the planning consultant appointed to conduct the inquiry, pledged that every one would have their say. True to his word, he interrupted the technical experts so that one local lady could be heard before flying to Australia for a holiday.

Had the Government not called the inquiry, the NCB would have started development this spring. Now they hope the inquiry will produce its findings in time for a start next spring. Which is not as optimistic as the three Irish labourers who turned up at one session, hoping to start work that day on contract work.

Scots plan to attract visitors

By Our Glasgow Correspondent

SCOTLAND needs a major new initiative to sell its holiday and leisure attractions, says Mr. Robin MacLellan, chairman of the Scottish Tourist Board. How to bring this about, combining business with pleasure, will be discussed at the annual meeting of the Scottish Convention General Council in Edinburgh to-morrow.

The council, which represents local authorities, universities, the hotel and travel trade, works for the expansion and promotion of the conference market.

On the following day at the same venue the annual conference and workshop to promote and develop Scotland's potential for motor coach tours will be held. About 220 hoteliers and coach operators from the U.K. and overseas are expected to attend.

Latest RPI figures out on Friday

BY MICHAEL BLANDEN

THE U.K.'s external position and the level of domestic inflation, both vital factors affecting the relationship of the pound with other currencies, will be the major figures highlighted in this week's published statistics.

The pound continued to lose ground steadily last week in spite of Mr. Denis Healey's repeated reassurance that he did not want to see any further decline in its value. He has also said, however, that as long as the rate of U.K. inflation is running higher than abroad, sterling is likely to come under pressure.

On Friday, the retail prices index for April is likely to show a continued high level of inflation. The March figure for the first time broke through the 20 per cent. mark with an increase of 21.2 per cent. over the previous 12 months, while in the three-month period to March the increase was running at a rate of 25.6 per cent. a year.

On top of this, the Budget tax changes were expected to put 2.75 per cent. on the index by June. Rises in the cost of living are also feeding back into wage levels through continued threshold agreements.

On Wednesday, the April trade figures are due to be published. They follow the freakish March figures which appeared just ahead of the Budget last month, with sharp distortions introduced by the London dock strike.

The March figures showed a dramatic swing from a current account deficit of £170m. to a surplus of £14m. The April figures, however, are expected to be distorted in the other direction with exports being hit harder than imports.

Further background to the domestic situation will be provided to-day with the publication of the April wholesale price index numbers—in March, the level of output prices was running 23.25 per cent. higher than a year earlier—and of the index of industrial production for March together with retail trade and hire purchase statistics.

U.S. trade dominance falling

Financial Times Reporter

THE U.S. still accounts for more than half of the world's largest companies, but its position of dominance is being eroded gradually, particularly by the rapid growth of Japanese concerns, according to a new study.

The study is on the profitability and performance of the world's largest industrial companies. It was written by Professor J. H. Dunning and Mr. R. B. Pearce and is published to-day by the Financial Times.

It shows that in 1972, out of the 642 largest industrial companies in the world, 342 or 53 per cent. were U.S.-owned. Japan was in second position with 79 or 12 per cent. of the total. In 1962, the comparable figures were U.S. 60 per cent. and Japan 6 per cent.

During the same decade Europe's share dropped slightly, from 30 per cent. to 29 per cent., but there was a tendency for the smaller European countries to gain at the expense of Germany, the U.K. and France.

Britain's share in 1972 was 61 companies, or 9.5 per cent. of the total, compared to Germany's 6.7 per cent. and France's 4.8 per cent.

Diminished

The study shows that concentration among the world's 500 or so largest companies diminished over the 1962-72 decade both overall and for most individual industries.

In 1962, the 25 largest enterprises accounted for 31 per cent. of the total sales of the 486 largest companies, but by 1967 their share had fallen to 29 per cent. and by 1972 to 28 per cent.

An important contribution to this levelling process appears to be the erosion of the dominance of U.S. companies by their more rapidly growing rivals in other countries.

The study provides new information on the degree of multinationality of the world's largest companies. It shows that in 1972 the 642 companies surveyed produced one quarter of their total output outside their countries of origin.

Profitability and Performance of the World's Largest Industrial Companies. An EAG Business Research Study published by the Financial Times. From Financial Times Ltd., Business Enterprises Division, 10, Bolt Court, London, E.C.4. £30 (plus postage).

Another two knitwear plants closing

By Our Leicester Correspondent

TWO MORE Leicester knitwear factories are closing. They are the Oadby factory of R. Rowley and Company, part of the Rowley-bairnswear division of the Courtaulds group, and Cavendish Fashions, part of the Northampton-based Bernstein Group.

The Rowley factory is to close by July 3, making 60 employees redundant. The Cavendish Fashions closure is fixed for next Friday, affecting 25 women workers.

Spare parts shortage hits Mersey buses

By Our Merseyside Correspondent

A SERIOUS shortage of spare parts has hit the bus fleet of the Merseyside Passenger Transport Executive—curtailing services. Nearly 400 vehicles, almost a quarter of those available, are immobilised in the depots.

A decision to buy another 70 buses for 1977 has been deferred, meanwhile, for further investigation. Before the war a 10 per cent. spare fleet was reasonable, but now up to 25 per cent. have to be off the roads to keep the remainder serviceable because of the improved sophistication of the modern double decker which costs £20,000.

An urgent appeal has gone out to the manufacturers of vehicles and components to speed up the supply of spare parts.

SKF

Notice to Parent Company Shareholders.

The Annual General Meeting of Aktiebolaget Svenska Kullagerfabriken will be held at the Company's Head Office, Hornsgatan 1, in Göteborg, Sweden on Wednesday 28th May, 1975 at 3.30 p.m.

Agenda

In addition to matters prescribed by law and Articles of Association, the following agenda will be considered at the meeting.

a) approval of the decision taken at the meeting of the Board of Directors on 26th February, 1975, to increase the share capital of the Company, now amounting to 600,000,000 Swedish Krohor (SKr) to SKr 750,000,000 in all by a rights issue at the price of SKr 60 per share. Present shareholders have priority to subscribe for one share of the same designation as four held.

b) approval of the proposal of the Board to further increase the share capital by a capitalization issue of SKr 150,000,000 to SKr 900,000,000.

Board Meeting

A Board meeting of the type specified in Paragraph 39, Section One of the Swedish Company Law, is to be held immediately before the expiry of the period of notification.

New Shares

The Company has adopted the Swedish law for simplified share handling. Shareholders holding certificates issued according to this law and who wish to participate in the Meeting, must have been noted in the share register maintained by the Securities Register Centre (VPC AB) not later than Tuesday, 20th May, 1975. Registration in the share register has generally been made when exchanging old share certificates for new ones and when buying certificates of the new type. Shareholders who have registered their shares in the name of a trustee and securities department of a bank or other authorized depositary must temporarily register these shares in their own name in order to qualify for participation in the Meeting.

Old Shares

Shareholders who have not exchanged their old certificates for new ones according to this law, are entitled to participate in the Meeting subject to the shareholder being registered for the shares in the old share register maintained by the Company.

Dividends

The Board proposes that *records control day* for the share register maintained by the Securities Register Centre and for the list of authorized depositaries etc. maintained in connection with same, be 30th May, 1975.

Subject to the approval of the proposal by the Meeting, it is expected that the Securities Register Centre will send out notice of payment to recorded shareholders and listed depositaries on 6th June, 1975. Holders of old share certificates can according to law only receive payment after exchanging their old certificates.

Notification

Shareholders who wish to attend the meeting shall notify the Board in writing, SKF, S-415 50 Göteborg, Sweden, or by telephone: 031-84 00 00, before noon Friday, 23rd May.

Shareholders who wish to appoint a Proxy can obtain forms on request to the Company at the above address.

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

(Incorporated in the Republic of South Africa)

CHAIRMAN'S STATEMENT

The following is a statement to members by Mr. B. A. Smith, which will be presented at the Annual General Meeting of the company.

It gives me great pleasure to present my statement for 1974, a year which has seen Randfontein emerge once again as a producing mine. With the commencement of production from the Cooke Section in March, 1974, working profit increased from R330,000 in 1973 to R13,671,000 in 1974.

COOKE SECTION

Tonnage milled from this newly opened Section of the mine totalled 349,000 tons in 1974. Production is being steadily increased from the No. 1 Shaft system and is currently some 67,000 tons milled per month. It is anticipated that a production rate in excess of 70,000 tons per month milled will be achieved in the latter half of 1975.

Development on all levels is proceeding well and increased to 10,882 metres for the year under review (1973—5,225 metres). Progress has been hampered by the intersection of water in dykes and the consequential delays in containing the inflow by cementation. To date all water intersected has been adequately handled and the installed pumping capacity is considered sufficient to cope with all but a totally abnormal inrush of water. Two clear water pumps together capable of handling 36,000 kilolitres per day have been installed and commissioned. The current pumping rate is some 2,400 kilolitres per day. A comprehensive system of bulkhead doors is currently being installed on all levels as an additional shaft protection measure.

At the No. 2 Shaft system, the Main Shaft advanced 661 metres reaching a depth of 704 metres by the year-end and is currently at a depth of 845 metres. The Ventilation Shaft advanced 557 metres to a depth of 661 metres from surface and has to date reached a depth of 813 metres. These shafts are expected to reach their final depths of 1,126 metres and 880 metres respectively early in 1976. Considerable station cutting, connecting development and rock pass development have been carried out in conjunction with the shaft sinking. Both shafts intersected multiple reefs at depths ranging between 599 metres and 642 metres below collar in very disturbed and broken ground. The nature of this heavily faulted ground has made correlation of the various reef bands difficult and their full confirmation is not possible in the immediate future. Gold values in the two shafts were low as these shafts had deliberately been sited in what was expected to be a low grade area. In general, however, the gold recovery grade is expected to be less than in the No. 1 Shaft area, although uranium values should be significantly higher. The No. 2 Shaft system should be commissioned by the end of 1976 and production is scheduled to commence towards the middle of 1977. The build-up to optimum hoisting capacity should be achieved early in 1979 and production of ore from this source is expected to be in excess of 80,000 tons per month milled.

The railway line connecting the Cooke No. 1 Shaft system with the reduction plant at Randfontein Section, measuring a total distance of some sixteen kilometres, was completed during the year. In the event of a decision being taken to increase production materially and to extract uranium, it will be necessary to build a larger gold and uranium recovery plant complex at a site closer to the Cooke Section. However, as this would essentially be a long term solution work is in hand to increase the existing plant's capacity to handle the increasing tonnage expected from No. 1 Shaft and the initial tonnage from No. 2 Shaft.

Net expenditure on mining assets at Cooke Section totalled R13,610,000 exceeding the estimated figure of R12,400,000 by some R1,210,000. This was mainly as a result of the rapid escalation of shaft sinking costs at the No. 2 Shaft and the advances in development at No. 1 Shaft being greater than anticipated. The expenditure in 1975 on the current programme for bringing Cooke Nos. 1 and 2 Shafts into full production is estimated to be R14 million.

RANDFONTEIN SECTION

Although production from the Black Reef showed an increase during 1974 when 59,000 tons were milled (1973—32,000 tons), gold production is to be phased out during 1975. Disappointing values and the shortage of labour make such a highly selective and labour intensive method of mining unattractive at present.

PYRITE PLANT

Results of the production of sulphur concentrates have been disappointing from the outset. Production has been well below the designed plant capacity due mainly to the recoverable sulphur content of the ore being below expectations and as a result our contract sales commitments have not been met. Consequently this operation has been phased out and arrangements made to meet our commitments from other sources.

FUTURE OPERATIONS

Members will have become increasingly aware of their company's future as a uranium producer. Cooke Nos. 1 and 2 Shafts are primarily gold producers with uranium production potentially a valuable by-product. The southern area of Cooke Section and the Bird Reef horizons of the Randfontein Section also have considerable reserves of gold and uranium ore.

As uranium is likely to be an ever-increasing source of the world's energy requirements, it is generally expected that the demand for uranium will increase and that during the latter part of the 1970's and the early 1980's this demand will be particularly strong. Consequently, it has been encouraging to note the recent upsurge in the price of uranium from the very depressed levels of the past decade. It is with these expectations that we must plan ahead in order that your company should be in a position to become a major producer at the right time. We have accordingly been re-assessing the uranium potential of the various reef horizons which underlie the company's property.

A comprehensive evaluation of the uranium potential of the Bird Reef horizons in the Randfontein Section has proved encouraging. Indications are that a potential 10 million tons of ore are available for the extraction of both gold and uranium at an average in situ grade of 5 grams per ton for gold and 0.9 kilograms per ton for uranium. However, a substantial proportion of this tonnage is currently below the water level and the mine would require to be dewatered and extensively refitted before large-scale production could commence.

The in situ reserves of the Cooke Section using current predictions of future gold and uranium prices have been estimated as follows:

	Tons millions	Gold gms per ton	Uranium kgms per ton
No. 1 Shaft Area	19	11	0.20
No. 2 Shaft Area	18	7	0.40
No. 3 Shaft Area	29	6	0.45

The No. 2 and No. 3 Shaft areas have a significantly greater uranium potential but gold values are likely to be considerably lower than those encountered at the No. 1 Shaft. However, given the right combination of gold and uranium prices, they have considerable prospects. The extent to which these reserves can be turned to account is dependent on many factors and it must be noted that these reserves represent estimates derived from a series of boreholes drilled from surface. There is little underground confirmation or experience to date as to what actual recoveries can be anticipated. In the Cooke No. 1 Shaft area gold values have proved to be somewhat higher than originally expected, but these may well decrease as development takes place further afield.

The rapid escalation of working costs and the high capital cost of establishing what would in effect be a new mine in the No. 3 Shaft area together with a potentially serious labour shortage, would have to be taken into account by your board before it could recommend such a major expansion of the company's gold and uranium operations.

Any expansion would be of considerable magnitude and would require substantial funding. This expansion would not be justifiable in terms of today's gold and uranium prices, but might well become desirable if current estimates and predictions of future prices prove to be substantially correct. As the internal generation of funds will not be sufficient to meet the major capital expenditures contemplated, a decision to proceed with the expansion programme must also be dependent on suitable sources of finance being secured. Your board is giving its urgent attention to the timing and implementation of the proposed expansion programme and takes the view that recourse to funding from equity sources should be avoided if possible. It is consequently investigating the availability of loan finance, together with the possibility of securing firm purchase commitments from responsible parties for the sale of its future uranium production at favourable prices. Shareholders will be kept fully informed of developments.

PROPERTY AND HOUSING FOR EMPLOYEES

During the year 345 stands were purchased in the Finsbury North township at Randfontein at a cost of R1 million. Of these stands 181 are fully reticulated. It is also the intention to develop 38 residential stands at Robin Park, adjoining the Robinson Lake, on property owned by the company. The building of some 40 houses will commence during the current year and will be regulated so as to meet the requirements of the company as production increases. A number of company houses and hostels are still being rented to outside parties, but some of these are no longer suitable and will be demolished in due course.

A new hostel will be required at the Cooke Section as production increases and suitable married quarters are being planned in conjunction with the authorities concerned. The houses for married employees will be located as close as possible to the two Black townships adjoining the company's property.

FINANCIAL

Drawings on the State loan amounted to R220,000 during the year bringing the total to R8,000,000. In addition deferred interest amounting to R544,000 accrued, bringing the total accumulated capitalised interest at 31st December, 1974 to R1,129,000. The terms governing the repayment of this loan and the accrued interest thereon are outlined in the notes to the financial statements.

The overdraft and loan facilities granted by the Standard Bank and Standard Merchant Bank were R3,000,000 and R2,000,000 respectively, while the combined drawings thereon at 31st December 1974 amounted to R2,011,000 (1973—R994,000). Provided current estimates of revenue and expenditure are realised, no further borrowings will be necessary to bring the Cooke Nos. 1 and 2 Shaft systems into full production and there is unlikely to be any material increase in these loans during the current financial year.

As your company has a considerable outstanding balance of capital expenditure for redemption, no provision for taxation and State's share of profits was necessary for 1974, and no tax liability is anticipated in the current year.

DIVIDENDS

The future profitability of your company is dependent not only on the price received for gold on the free market, but also on various other factors, the most important of which are the rapid escalation of working costs, and the availability of an adequate and trained labour force. In the event of a decision being taken in 1975 to exploit the mine's uranium potential, revenue from this source will only be material in the 1980's and in the short term loan repayment commitments and the extensive capital expenditure programme will restrict the amount of distributable profit. However, irrespective of whether or not the expansion programme is undertaken, it is the board's intention to re-commence dividend payments as soon as it is practicable to do so. Dividends will be pegged at modest levels for a few years if a major gold and uranium expansion programme is undertaken, but in such an event, your board is convinced that the magnitude of the benefits to be derived from this policy will bring substantial future rewards to shareholders.

ACKNOWLEDGEMENTS

I wish to conclude by expressing the board's appreciation of the excellent services rendered by the general manager, Mr. R. D. Wolff, the mine staff, the consulting engineers and the technical and secretarial staffs at head office. In particular, the general manager, operating staff and employees must be congratulated on their efforts in bringing Cooke No. 1 Shaft into production and in steadily increasing production in the face of difficulties arising from a shortage of underground labour.

Johannesburg 5th May, 1975

The Annual General Meeting of members will be held in the Board Room, Consolidated Building, Corner of Fox and Harrisons Streets, Johannesburg on 16th May, 1975 at 2.15 p.m.

FINANCIAL TIMES REPORT

Monday May 12 1975

FRANCHISING IN BRITAIN

The concept of franchising has been slow to gain popularity outside the U.S. However, more and more small operators in the U.K. are beginning to see the benefits that can accrue by using the expertise and capital of a central organisation to produce efficiency.

Concept catches on

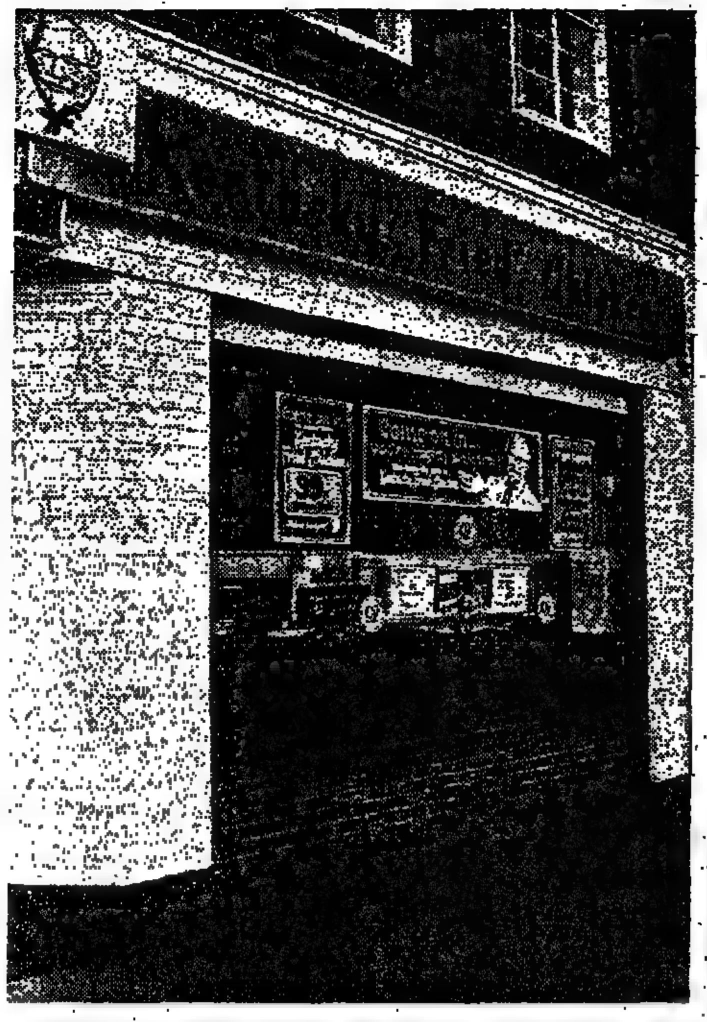
NOBODY KNOWS who invented "franchising," or when the idea first began to gain acceptance. But almost everyone would agree that the inventor was an American. Although purely European and purely Japanese franchising operations exist, the overwhelming majority of franchises are American based. The U.S., with its ready access to capital, its belief in the small entrepreneur, its readiness to adopt new ideas and its enormous spread of service industries provided fertile ground for the franchising concept. In some ways, it remains an essentially American concept, an American way of selling American products and services.

Certainly most of the really successful franchising operations which come easily to mind, from Coca-Cola bottling, to Hilton hotels, Kentucky Fried Chicken, Budget Rent-a-Car, Singer and Avon Cosmetics are American-owned and inspired. Most of the European managed developments, such as the Wimpy Bar, have been quite closely modelled on American ideas and concepts.

The thinking behind the franchise system is obvious enough and the basic philosophy is applicable to almost any service business and, to a few simple manufacturing operations, as well. How often has one waited in mounting irritation in some branch of a large service operation for the sales clerk or operator to serve one? How often has one thought that if only the old days of the owner-operator were still with us, how much better would be the service?

Drawback

The drawback, of course, is that the owner-operator lacks the resources of capital and management expertise to grow rapidly. Too often a successful small grocer or newsagent or car-hire operator remains small, simply because the owner is too tied up in the day to day business of running his outfit to think about expansion, elsewhere. Thus, the owner-managed concern remains local and known only to its immediate clientele. In competition with the nationally-owned chains, which can advertise and market on a national basis, it inevitably suffers. It lacks the advantages of large-scale buying, the ability to carry satisfied customers from one town to another and many of the other advantages of scale ranging from public relations to legal services.



A Kentucky Fried Chicken store

But, if some central organisation provided the expertise for running the business, the stocks and fittings, the design of the premises, the management training, the advertising, financial and accounting services and any other help, but left the running of the business to local talent, might one not get the best of both worlds? So at least runs the franchising concept.

Franchising is strongest and best developed in the food and restaurant business, particularly in the provision of convenience foods. Obviously restaurants have to be limited to a fairly circumspect size or they become unmanageable; equally the day-to-day problems of managing the staff and ensuring good service demand a highly committed manager, who ideally should be the owner.

Thus the development of franchising in standardised restaurants offering cheap take-away food, with everything from hamburgers and chicken to Chinese foods, pizzas and steaks has developed apace. The franchise company generally provides almost all that the franchise holder needs to set up in business apart from the cash, providing standardised layouts and food, advising on the installation of equipment and the hiring and training of staff.

Although they require far more capital and planning, hotels were an obvious extension of the franchise concept. Americans travelling in Europe, still more in Asia or Africa, are innately suspicious of the indigenous hotel operations and often did not know where to turn for accommodation. Equally, the risk of appropriation, of offending local customs or simply of building a hotel in the wrong place made it difficult for American hotel groups to move successfully into some, at least, of these foreign countries. Thus the franchise, combining local management and capital with an American name and international standards of accommodation, food and service was an obvious answer.

Another area of widespread consumer dissatisfaction with existing marketing methods is in the provision of service, repairs and replacements for cars and in the renting of hire cars. The general garage, providing an overall service, which includes everything from selling petrol and oil to respraying damaged cars and fitting new engines, can rarely hope to provide a fully satisfactory service over the whole range of its activities. If it is privately owned, the manager probably works hard, but he can scarcely be a specialist in every area and some parts of his service may be poorer than others. If it is managed as part of a big concern, motivation may be lacking.

This has helped the spread of franchise operations in a wide range of specialised motoring services from tyre fitting to exhaust replacement, rust-proofing, car hire and the sale of in-car entertainment equipment. The best-known franchise operations include Ziebart rust-proofing and Budget Rent-a-Car, both American owned, although they have inspired several British and European competitors. In most cases, the franchise holder provides the technical know-how, advises on management and provides any specialist equipment or materials, but the franchise operator—which may be a garage or even a chain of garages—provides the site and the staff.

Again, such services have the benefit of national advertising and a recognised brand name, as well as the inspiration of a financially-involved owner. Driving schools and taxi-operators—who are franchised by a central authority—of course work in much the same way, with owner operators linked t national chain.

Manufacturing has prov more difficult area for chising operations, sh because the scale and fina resources required are so greater. And while it ma easy enough to find a man the business ability to r launderette or hamb restaurant, it is a diff matter when it comes to a tory.

Formula

Coca-Cola, making use o secret formula to ensure dardised world-wide produ but allowing local entrepre to provide the capital bottling plants is one successful example of such chising. The Skol lager, w the same name and form used by different breweri different countries to mar common product is an approach.

Perhaps the most intere arrangement though is w the manufacturer provides product but uses local tale sell. Singer has always such a policy of allowin machines to be sold thr Singer shops, which were o form standard but priv financed and owned. In pro which can be sold door-to Avon has had considerable cess with cosmetics and Tu ware with food container employing housewives as chise holders for a commission. Mail order logues and book clubs sometimes sold in the same

With franchising employed in the provisio weddings, the cleaning drains, the sale of newspa the treatment of houses an hire and training of sales and typists, there seems t little limit to the applicati the concept.

James E

Car rental operations

THE ONLY real franchise operation in the U.K. in car and van rental is Budget Rent a Car. In 17 years this group has become the world's third largest car hire operation—and is to-day the second largest in the U.K., after Godfrey Davis.

The essential difference about this franchise operation from a normal car rental business is that the franchisee, who is normally a car dealer, owns his own vehicles and pays Budget a portion of his income from the car rental activity. The benefits for the franchisee are many. He gets the benefit of being able to use the Budget name, benefits of its experience, promotion and, perhaps most importantly, gets a protected territory. All of these are normal features of a franchise operation.

Staff

Budget advises on the recruiting of suitable staff and runs training programmes, instructing staff how to run a Budget system. The company then establishes with the dealer the size of the starting fleet which is normally 10 vehicles. The company also arranges a launch day with publicity in local and national newspapers. After the opening, a field manager works with the staff for a few days to show how the Budget system actually works. "Fundamentally, we operate by training the managers to set realistic fleet size operating costs and income targets," says Mr. Richard Page of Budget. "From this base they have a target which can be reviewed weekly through Budget's specially designed weekly control report. This report allows the operator at the counter to see how his week's operation has performed against the monthly target. It also allows him to make an analysis of his trading for that week."

"Any unfavourable indications that appear on these weekly reports instigate a phone call to that office for explanation and corrective action. The district manager has autonomy in his area and is able to do whatever trouble-shooting is necessary in order to keep the operations running smoothly."

One of the linchpins to Budget's franchising operation is the extensive amount of advertising and promotion. There are also direct mail shots to senior executives of companies. The profitability of the operation is linked to a 75 per cent. utilisation during the seven months of the low season and over 80 per cent. utilisation in the high season.

The cost of the Budget franchise is graded according to population and vehicle potential. For markets of over 50,000 it amounts to £3,000 of which £1,000 is payable immediately and the balance in four annual payments of £500. The franchise is automatically renewed after each five-year period provided the specified fleet growth has been maintained.

Each year, the licensee pays a fee of 10 per cent. of gross turnover. This is broken down into: a) 5 per cent. paid as a monthly car service. During the first 12 months it is spent on advertising and thereafter half is spent on promotion; b) the other 5 per cent. is paid for the general administrative and supervisory services.

The target profits which Budget expects amount to, 28 per cent. on the average value of the fleet maintained. The firm does not say what success its licensees have had with this target rate, but points out that since many franchise operations are highly geared (with perhaps £10,000 invested by the licensee in his fleet and other costs and another £30,000 borrowed for capital expenses) the actual return on his money can be very high indeed. This 28 per cent. return, though, is calculated on the operating profits. So with the high level of interest rates in the market to-day, the net return will be somewhat lower.

Budget normally likes to choose its licensees from existing motor dealers and distributors. When it first came to the U.K. it had a link with Vauxhall, the U.K. arm of General Motors with whom Budget linked with in the U.S. when growth started to down they looked around second link and coinciden British Leyland approa them so that the agreemen day is that the BL dealer first option on a Budget chise in his area.

Budget look for two criteria in seeking to ap new licensees: (1) that th for the car rental busine satisfactory. That is, tha customer does not have to t a long distance to get t and (2) the existence management strength. make clear to potential sees that we are not ha him the golden goose. is no guarantee that he make money. We provid know-how, but he must pr the energy," says Mr. Pag

Expansion

In looking at future e sion, the aim is to concenta improving the market pen tion on existing licensees. Budget is keen to open in of South Wales, East Kent South West and the high nurbation areas of London Birmingham.

The reason that Bu became a franchising oper was to handle its strong gr during the 1960s—manp and capital resources were small to really expand c large scale. Then, in Budget became a subsidiar Transamerica Corporation. of the effects of its franch operation has been to e some kind of rationalis process on a cottage indust for between 60 and 70 per of car rentals are still cat for by the small one-man ga owner who hires cars as a line.

Still, given the growth ra 15 per cent. a year ther plenty to go for. Bu already has some 140 office the U.K. and a peak fleet an its franchises of about vehicles.

Roy Lev

COL. SANDERS' RECIPE Kentucky Fried Chicken

The sign of a Good Investment!

To continue with our expansion plans for 1975, we have a limited number of single or multiple franchises available in the U.K.

As world leaders in the growing take-away foods industry, the business opportunities offered by our exclusive product are second to none.

Successful applicants will have some business experience, the ability to work hard and access to capital of around £15,000 although we can help with the financial arrangements. We in turn will provide a complete Commercial, Marketing and Promotional service to assist franchisee's in ensuring the future success of their investment.

For further details of this unique business opportunity, please contact:

Mr. R.M. Sandison, Franchising Manager,
KENTUCKY FRIED CHICKEN (G.B.) LIMITED,
Boundary House, Boston Road, London W7 2QE.
Tel: 01 579 6861.

The first name in take-away foods

Like your own business? invest in a Tandy hi-fi franchise!

Terry Leece

"My first year exceeded all my expectations ...
I opened a second store the same year on the strength of my first".

If, like Terry Leece, the idea of running your own show appeals to you then a Tandy HI-FI retail business is the answer. Terry's one shop which he took on twelve months ago, is grossing over £60,000 already! Little wonder six months after opening his first store, he took on another. Terry is already considering taking on a third store!

Be your own boss The unique Tandy franchise plan makes you outright owner of a franchise selling "exclusive" high quality Tandy audio and HI-FI equipment, plus components and accessories, ensuring high volume sales and healthy profit margins.

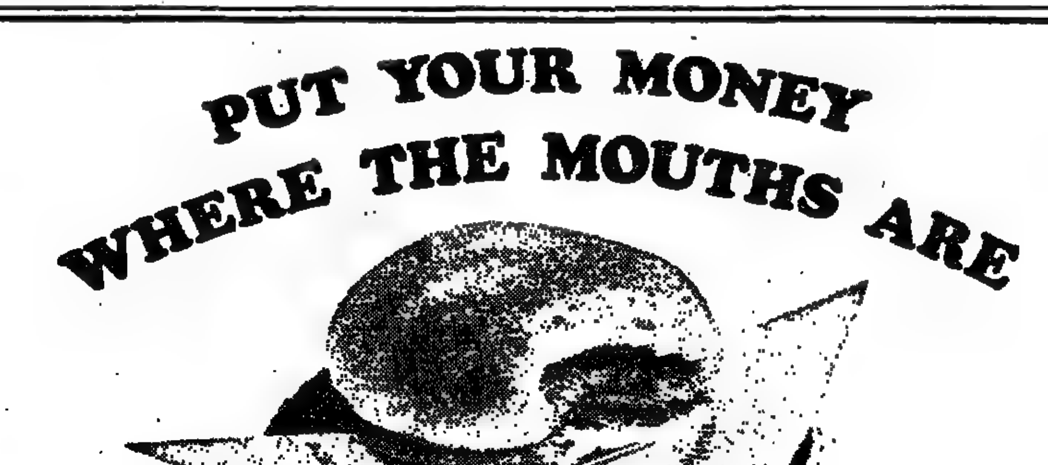
The TANDY Corporation is one of America's most successful companies with over 3,000 outlets in the U.S. and Canada. Since their arrival in late 1973 Tandy have already opened 100 stores in England. Soon every major town and city in the U.K. will have at least one Tandy store.

No experience necessary Tandy's 50 years experience ensures realistic training of the franchisee and covers everything from your own Grand Opening to everyday routine plus T.V. and press advertising with full merchandising and promotional support. A minimum investment of £17,000 is required. For further information, please write in confidence to The Senior Vice President, Mr. Richard O'Brien,

TANDY

Tandy Corporation (Branch UK),
Bilston Road, Wednesbury,
Staffs, WS10 7JN

PUT YOUR MONEY WHERE THE MOUTHS ARE



Put your money where the mouths are and take a bite of the Wimpy business—the recognised leader in the Catering Franchise field.

If you feel it's time to profit by being your own boss and you have capital to invest, then a Wimpy Franchise is the ideal business proposition. With the backing of one of the world's largest catering companies, you can be sure of a good return on your capital.

The Wimpy Franchise is so comprehensive that you need have no previous catering experience, as it includes:-

☐ The corporate image and the use of the Wimpy registered trademark.
☐ Assistance in finding and evaluating possible sites.
☐ Extensive use of Wimpy design and development resources for a new site.
☐ Research of markets and assessment of profit potential.
☐ The training of managers, staff and advice on operational policy.
☐ The provision of regular advertising and promotional support.

Wimpy owners come from all sections of the community, so come and join us and repeat the success by investing in this superb brand name. For further details on the Wimpy Franchise please contact:-

The Marketing Department,
Wimpy International Ltd.,
214 Chiswick High Road.
London W4 1PH. Telephone: 01-994 6454

WIMPY Wimpy International Ltd. is a member of the J. Lyons group of Companies.

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هكذا من الأصل

Major food sector

PERHAPS AFTER such a long period of domination by the fish and chip shop, the British fast-food industry was ripe for take-over, for take-over there certainly has been in the past few years. Perhaps not nationally as yet, but without doubt in many urban locations, Wimpy Bars, Kentucky Fried Chicken outlets and Bake 'n' Take's heavily outnumber the traditional fish and chip counter. The movement reflects the fish frier's overall inflexibility as much as the newcomer's aggression, of course. It is only relatively recently that fish shops have broadened their product range and most of them, being family operated units, have neither the resources nor the expertise to take on the invaders with much hope of success. The rising price of fish has not helped.

However, a quick look at the fast-food franchise business can very much give the wrong impression. Any potential entrant should tread with care. The rewards can be considerable, but so too are the dangers.

The champions of the franchised food business in the U.K. at the moment are of course, Wimpy and Kentucky Fried, both of whom have become household names. Dozens of other projects have none the less fallen by the wayside as they strove to keep up. For every successful Wimpy Bar there is a sad tale of someone trying to launch pizza houses, frankfurter emporiums, and omelet shops.

The key to the game seems to be that both sides in a food franchise arrangement must have resources. A reputable franchise operator does not smile too kindly on the franchisee who has to beg or borrow the initial investment, and anyone determined to be his own boss should not be overkeen on a company which is patently incapable of backing up its promotional promise with substantial advertising. The main problem of franchising is that nothing succeeds like success. Once a sizeable chain has been established, it can generate sufficient revenue for national and local advertising, using television if necessary, and for sophisticated point of sale material. If, on the other hand, it begins to stumble after three or four outlets have been established, then all that promise will start to peter out as the cash resources are spent.

Food franchising in Britain had a much shakier start than on its home territory of the U.S. for reasons which have long been argued over, and will probably remain the subject of debate for some time. So alien was franchising to the British way of thinking that there was considerable wariness about the concept at first. At the same time, while in the U.S. there is often ample space for fast-food outlets on roadside locations in a society which is very much geared to the car, the same is not true of the U.K. It is not easy to find good new roadside locations in Britain, and the franchisers have instead had to turn to town centres, and it is here that they have had their greatest success.

Glamour

Food franchising has certainly not proved the fantastic growth business that was predicted in the late sixties. But now much of the glamour and whiz-kiddery has been removed, and left an industry which now has a sound commercial image and which boasts growth which, while perhaps not "fantastic" is certainly very healthy considering the troubled state of the economy at the moment.

The fastest growing success story of the past two or three years has been Kentucky Fried Chicken, although it too had something of a shaky start.

KFC is a classic of the food franchise business and indicates the sort of deal that a potential franchise holder in a better run enterprise can expect. KFC is unlikely to welcome anyone with much less than £10,000 as starting capital, and really prefer their franchise holders to have a little more fat in their belts. Clearly this figure can vary considerably, a Mayfair KFC might involve rather higher initial costs than one in a Halifax suburb. Equipment is bought from KFC, which also does the shopfitting. There are basic initial fees of a few hundred pounds and after that KFC requires the franchisee to buy supplies from the parent company (except the chicken itself, which comes from approved suppliers) and which collects a 4 per cent. royalty on the gross take. There is a further percentage for collective advertising, although what further promotional work is done by the franchise holder after that is up to him.

KFC, Wimpy, McDonalds and other reputable groups require a fairly high degree of sophistication, and dedication, on the part of their franchise holders, and seem to do their best to dissuade the eager amateur who is tempted by independence but is really not going to maintain his eagerness over the years.

Most fast-food operations rely on their basic reputations of being able to supply their hamburger, chicken or pizza at short notice almost whatever the hour. Therefore, the franchisee who seeks to set up an operation using only himself and his family as staff can quickly find the demands of a 7 a.m. to midnight, seven-day week, job a little less glamorous than he thought when he planned to open "a little restaurant of my own."

Franchised fast-food operations have been designed as money-makers for the small-to-medium investors rather than as a vehicle for the man who is looking for some way of dropping out from the rat race. It is a normal pattern for franchise holders to have several outlets.

In Britain the main competition is not necessarily from other franchise holders with rival groups, but with the Indian and Chinese take-away outlets which have become so much a part of the British way of life. For all their apparent impact, the American style hamburger and the take-away chicken shop have in fact made a smaller impression on the British eating scene so far than Chinese restaurants.

Recent findings by the Catering Little Neddy, however, would indicate that the tide is very much flowing in favour of fast food operations. The British, it seems, prefer to eat their food quickly and cheaply. Perhaps this is a long way from the image of a long lingering dinner with time spent over the port. Instead we seem to be a nation of the quick hamburger, eaten from a cardboard box. The only lingering we do is over the last few minutes of Coronation Street.

Arthur Sandles

Hotels: a waiting game

IT IS extremely difficult to tell where traditional hotel operation ends and franchising starts to-day. There are, of course, franchising groups, but a large number of hotels these days have such confused ownership and management contracts that it would be difficult to say that any of the major chains was not in franchising in some form somewhere. Most will leap at the chance of management contracts, consultancy agreements and even "join our marketing club" deals if given the chance. If you have a few million pounds which your are willing to put into the hotel business, you will have little difficulty in finding a well-known brand name to put in lights across the front door.

At one stage in the late-sixties it looked as if hotel franchising might follow the other forms of franchising into a boom position. The down-turn in the growth of tourism, the temporary surfeit of hotel rooms in some areas, and the lost glamour image of the hotel business has changed all that.

The two major hotel groups potentially operating in Britain on the franchise scene are the Memphis based Holiday Inns group (the British Inns are in fact run by Commonwealth Holiday Inns of Canada) and Novotel. Both seem to be pausing for breath at the moment, and there is no rush of British investors keen to put up the money for major franchised hotel operations.

The franchised hotel depends heavily, like other franchise operations, on a single image. In this Holiday Inns and Novotel are remarkably similar in their market aim (although perhaps Novotel is nearer the traditional American Inn than that normally seen in Europe). Rooms tend to be larger than normal, in Holiday Inns' case they have two king sized beds in each room, in Novotel's there is one double and one single bed. They all provide swimming pools, parking for all comers, air conditioning, and late night eating facilities.

Difficult

Obviously to join this sort of franchise, the investment involved is not in the thousands of pounds league that is found in other types of franchise business. It is difficult to build a hotel in Britain at the moment for very much less than £9,000 a room.

It is one of the major marketing appeals of the big franchise groups that their planning departments and building systems will reduce this cost to the minimum, but even so the cost of a 100-room property can still be large. The hotel franchise idea was really given its big send off by Mr. Kemmons Wilson who has built up his empire of hundreds of thousands of rooms in less than 25 years under the Holiday Inn banner. Holiday Inn took the motel business by the scruff of its scruffy neck in the 1950s and made it respectable. Wilson did what entrepreneurs the world over have done, before and since, designed the sort of hotel he would like his family to stay at, and built it. Since then he has dwarfed the opposition in the U.S.—Ramadax and Howard Johnson among them—and marched manfully into Europe.

Holiday Inn is stricter than most franchise holders when enforcing the terms of its agreements. Inns must be up to the standard demanded by the chain or they are dropped from the group. Senior staff are given corporate brain-washing sessions at the group's Memphis headquarters. Sometimes the standardisation proves difficult to apply. In Europe, Commonwealth Holiday Inns, a major franchise holder whose interpretation is a little further up market than the parent, appears to be faring better.

The similarities between French Novotel and Holiday Inn are striking, but the French company, formed in 1966, has a strongly Gallic accent. It is already firmly entrenched in Europe and has recently begun to spread its wings further from home, including into the U.K. Making the most of the traditional appeal of franchising, joint marketing and joint reservation systems Novotel promotional material makes strong claims for commercial performance. Those involved, it says, "know that a fully operational Novotel can obtain a minimum extra 20 per cent. occupancy over national and local averages. This is achieved firstly by the group's insistence that the correct basis for marketing is a commercially precise approach to siting and secondly by the central reservation system."

Under a Novotel franchise agreement involves an "entrance fee" of Swiss Francs 350 per room and a "membership subscription" of 0.5 per cent. of turnover. In return the franchisee gets Novotel expertise in the setting up of the property and membership of the group in future.

There is also consultancy and management fees of up to 1.5 per cent. of the capital costs of the property if the investor wants total Novotel involvement in planning, feasibility studies and the like. This fee can, however, rise to 10.5 per cent. of the total if the investor is looking for a "turn-key" operation which provides him with a complete, custom-built, hotel. After that each Novotel must spend 1.5 per cent. of its turnover on centrally directed marketing activities, and a further 1 per cent. on inspection and group management facilities.

The reasons why investors get involved in deals like this with the major international franchise chains, is that the system seems to work.

There are, however, drawbacks. Unlike the fully-owned group and franchise organisation has certain inflexibilities of action. A chain which decides it might be a good marketing ploy to offer free accommodation to wives during February, can have the whole idea demolished by just one franchise holder who votes against it. In a franchise business, particularly one involved in as substantial an investment as hotel keeping, each member of the chain has, in effect a veto over certain ranges of activity.

On balance, however, the system which gives the individual investor, or group seeking diversification, access to a widely known name and a measure of expertise, appears to be proving attractive to many who want to enter the hotel business. Perhaps when there are signs that the tourists are beginning to flow in again, the flood of franchise hotels will begin to rise once more.

Arthur Sandles

The right advice

FRANCHISING IS A rather ethereal industry. There is little legislation to control it (certainly no direct legislation), few figures to help monitor it and only a handful of consultants and government bodies which can help the prospective self-employed franchisee get to know the ropes.

A few franchise operations have been remarkably successful like Wimpey or Kentucky Fried Chicken or Budget Rent a Car. But there is also a high degree of failure and many budding entrepreneurs have lost their money on a franchise operation. Because there are many fringe operators in the arena the industry has not had a good name, especially after the scandals of pyramid operations which resulted in a clamp down by the Government.

So the individual seeking to have his own business through a franchise operation needs to be on his toes if he is going to miss out the bad franchises. To help him there are a number of consulting agencies. The first to go to is the local Small Firms Information Centre run by the Department of Industry. The Centres have a useful information bank about what franchises are available and can supplement the list through local and national inquiries that can help the businessman establish which ones are worth going for.

The Centres have published a useful booklet called "Obtaining a Franchise—a Guide for Small Firms" written by Mr. M. Mendelsohn, a lawyer who specialises in the industry. In this book, franchising is defined as involving the development not merely of a trademark or an invention but of an agreed blueprint of all the ways in which the business is to be carried out and must minimise the risk inherent in opening any new business.

"For example," it states, "criteria will be established for judging possible sites; the buyer will be trained in the appropriate business methods and in the best ways of marketing and merchandising to exploit the product; he will acquire the right to use the description (house style) by which the business is to be distinguished from others, while at the same time the business will be recognisable as part of the large organisation comprising him and other franchisees."

Two essential elements of franchising are that the franchisee must own the business and must make a substantial capital investment from his own resources.

The author gives a word of caution — "Franchising," he says, "is not a passport to guaranteed riches. A franchisee must himself be prepared to work hard to advance his business, however much assistance the franchisor is giving."

At the end of the booklet there is a list of questions to ask the franchisor before committing yourself. These include asking the addresses of existing operations and whether you can interview them—"Can you demonstrate your capacity to provide the necessary follow-up services?—How many business failures have been experienced by your franchisees?" and so on.

Other essential questions could include a detailed analysis of how much it will cost and the basis upon which the contract can be terminated. For those who wish to find out even more about the operations of the concept, Mr. Mendelsohn has written "The Guide to Franchising."

Useful

The genial Mr. George Caldough of The Institute of Small Business can also give some useful advice about how to proceed with a franchise operation.

Ten years ago he started his Business Ideas Letter and followed that with the Institute some 3½ years ago. All subscribers to the letter (at £11.50 a year) are members of the Institute. Mr. Caldough has a list (by no means exhaustive) of some of the more interesting franchises available varying from take-away foods to driving tuition and fitting exhausts. But he warns against "rack-jobbing" which, he says, have taken over where pyramid selling left off. Basically, racks of goods are sold to the franchisee (perhaps a small shopkeeper) who pays in advance.

Even in good franchises, the main failure, he states, is under-financing of operations. (This is true too for other business areas in which small businessmen become involved). In this respect the banks do not appear to have any particular attitude towards helping to finance a franchising operation —any proposition will be regarded as in the normal way.

The Franchise Advisory Centre, run by Mr. Stephen Morgan, is a private consultancy firm specialising in this arena. Mr. Morgan helps both individuals who are interested in using the franchise to start their own business and companies which want to use the system as a marketing strategy. The main thing to watch for, he says, is that the underlying business is a workable concept. "Franchising is no Aladdin's Lamp," he adds.

Roy Levine

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FACT: **Cleaning is one of the fastest growing service industries**

FACT: **There is a higher rate of success in a franchise business than in an independent operation**

FACT: **ServiceMaster have run a successful franchise business for over 26 years and are active in 25 countries**

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Can anybody remember when the times were not hard, & money not scarce?

Ralph Waldo Emerson, 1803-1882

And yet those with vision and the ability to work will still succeed in spite of all the prophets of doom. For a few enterprising men and women 1975 will be the year that "they made it," made it in a business unlikely to be affected by today's uncertainties. **The Zockoll Group of Companies, acknowledged leaders in the field of ethical franchising offer opportunities in such businesses.**

Zockoll franchises include Dyno-Rod, the leading drain clearance service—always in demand by both domestic and industrial sectors whatever the state of the economy.

A fast-expanding Zockoll franchise is Pit-Stop Auto Services which provides a second-to-none service to motorists with immediate, while-you-wait replacement of exhaust systems and shock absorbers. A business which not only makes a great contribution to road safety, but provides a secure and profitable business for its franchisees.

Zockoll Group franchises have also proved tremendously successful in Germany and Belgium.

Franchisees of Zockoll Group companies are regarded more as partners and enjoy many benefits.

- **Investment includes the specialised equipment needed and the training to use it.**
- **Backing by extensive advertising and promotions.**
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FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

Interest Due		Stock	Price £	Last xd	Yield Int.	Red.
"Shorts" (Lives up to Five Years)						
15F	15A	Savings 3pc '65-75	98	9.1	3.05	10.00
1M	1S	Exch. 6½pc 1976	99	23.1	6.67	9.99
15F	15A	Treasury 6½pc 1976	95	9.1	6.79	10.27
1M	1S	Victory 4pc 1976	98½	23.1	4.08	—
14J	14D	Treasury 10½pc 1976	99xd	8.5	10.52	10.71
10M	10S	Treasury 6¼pc 1977	92⅞	3.2	6.73	10.59
15M	15S	Electric 3pc '74-77	90	6.2	3.33	8.98
26M	26S	Treasury 11½pc '77	101	17.2	11.35	10.81
15M	15N	Treasury 3pc '77	86xd	8.4	3.49	9.38
20J	20D	Transport 4pc '72-77	86xd	13.11	4.62	9.93
15M	15S	Treasury 9pc 1978	94	6.2	9.53	11.33
15M	15S	Treasury 9pc '78 'A'	94	—	9.53	11.35
14J	14J	Treasury 10½pc '78	97½	—	10.78	11.48
26M	26S	Exchequer 5pc '76-78	85	17.2	5.88	10.36
9M	9S	Treasury 11½pc '79	99⅞	21.1	11.51	11.50
17M	17S	Treasury 3pc '79	76¾	10.2	3.91	9.66
26M	26S	Electric 4¼pc '74-79	78⅛	17.2	5.42	10.53
1M	1N	Treasury 10½% '79	96xd	25.3	10.83	11.37
15M	15N	Electric 3½pc '76-79	77½xd	8.4	4.54	9.90
3M	3S	Treasury 9pc 1980	91⅛	27.1	9.85	11.35
Five to Fifteen Years						
15J	15D	Treasury 3½pc '77-'80	74½xd	8.11	4.68	9.91
15J	15D	Funding 5¼pc '78-80	79¾xd	8.11	6.59	10.52
15F	15A	Treasury 3½pc '79-81	72½	9.1	4.87	10.02
15J	15J	Do 8¾pc '80-82	87¼	9.12	10.00	11.78
17M	17S	Treasury 12pc 1983	99⅝	10.2	12.27	12.43
15J	15J	Funding 5½pc '82-84	73	9.12	7.72	10.65
10J	10J	Treasury 8¾pc '84-86	81¼	4.12	10.84	12.07
1M	1N	Funding 6½pc '85-87	66xd	25.3	9.78	11.80
26J	26J	Treasury 7¾pc '85-88	71¼	20.12	11.23	12.72
1J	1J	Transport 3pc '78-88	41⅝	25.11	7.40	12.18
15A	15O	Treasury 5pc '86-89	49⅞	10.3	10.10	12.72
Over Fifteen Years						
15J	15D	Treasury 8¼pc '87-90	70⅛	8.11	12.29	13.38
5A	5O	Funding 5¾pc '87-91	50⅝	3.3	11.49	13.42
14J	14J	Treasury 12½pc '93	90⅜	—	14.15	14.31
15M	15S	Funding 6pc 1993	48⅞	6.2	12.65	14.04
17M	17N	Treasury 9pc '94	64½xd	10.4	13.93	14.78
1M	1N	Gas 3pc '90-95	30	25.3	10.03	12.78
15M	15N	Treasury 12¾pc '95	88xd	8.4	14.47	14.58
15M	15S	Treasury 9pc '92-96	64⅞	6.2	14.18	14.63
1A	1O	Redp. 3pc '86-96	29¼	24.2	10.37	12.75
1M	1S	Treasury 8½pc 1997	62⅝	23.1	14.37	14.75
1M	1N	Treasury 6¾pc '95-98	48½	25.3	13.98	14.60
15J	15J	Treasury 9½pc 1999	68½	9.12	14.51	14.77
14J	14J	Funding 3½pc '99-04	27¼	9.12	13.15	13.91
5A	5O	Treasury 8pc '02-06	55½	3.3	14.63	14.75
10M	10S	Treasury 5½pc '08-12	38⅞	3.2	14.50	14.60
26J	26J	Treasury 7¾pc '12-15	54½	30.12	14.83	14.86
Undated						
1F	1A	Consols 4pc	27½	27.12	15.37	—
1J	1D	War Loan 3½pc	23½xd	25.9	14.85	—
1A	1O	Conv. 3½pc '61 Aft.	24⅝	24.2	14.44	—
5A	5O	Treasury 3pc '66 Aft.	19⅝	3.3	15.33	—
5J.A.J.O.		Consols 2½pc	15⅝	3.3	15.27	—
1A	1O	Treasury 2½pc	16½	24.2	15.41	—

**INTERNATIONAL BANK

15F.	15A.	5pc Stock '77-82	64¾	17.1	7.86	12.83
31J.	31J.	8pc Stock 1976	95½	3.1	8.38	12.00

**CORPORATION LOANS

1F.	1A.	Birm'ham 9¼pc '79-81	84	2.2	11.33	13.72
1F	1A	Bristol 6½pc '75-77	90	17.1	7.22	13.06
30J	31D	Essex 5¼pc '75-77	85½	29.11	6.36	12.88
11F	11A	G.L.C. 6¾pc 1976	93¼	13.1	7.22	12.43
15A	15F	Do 7¼pc 1977	88½	15.1	8.17	13.11
22M	22N	Herts. 5½pc '78-80	69½xd	22.4	7.53	13.78
10M	10S	Liverpool 7pc '76-77	88	10.3	7.96	13.06
15M	15N	Do 9¾pc '80-84	83¼xd	15.4	11.72	12.90
10F	10A	Lon Corp 6½pc '75-78	82½	10.1	7.88	13.27
1A.	1O.	Do. 9½pc '84-85	76	3.3	12.32	13.82
8F	8A	L.C.C. 6pc '75-78	82¾	8.1	7.25	13.69
15M	15S	Do 5½pc '77-81	66½	17.2	8.43	13.74
15J	15J	Do 5½pc '82-84	59	16.12	9.65	15.84
11J	11D	Do 5½pc '85-87	52	11.11	11.14	14.36
10J	10J	Do 6¾pc '88-90	53½	10.12	13.27	14.93
1M.J.S.D.		Do. 3pc '20 Aft.	18½	1.5	16.03	—
1J	1D	Middx. 6¼pc '75-77	85½	1.5	7.31	13.09
15M	15S	Do 5¾pc 1980	69½	17.2	7.53	14.11
10Mr.	10S.	Newcastle 9¾pc '78-80	84	20.2	11.20	13.97
15My	15N	Warwick 12½% 1980	99¾	—	12.55	12.60

COMMONWEALTH & AFRICAN LOANS

15A	15O	*Aust. 6pc '74-76	93⅛	14.3	6.47	11.57
1A	1O	*Do 5½pc '75-78	81¼	28.2	6.80	12.56
1J	1J	*Do 5½pc '77-80	76½	29.11	7.57	13.62
1A	1O	*Do 5½pc '81-82	66½	28.2	8.35	13.14
15J	15D	East Afr. 5¾pc '77-83	54½	15.11	10.04	15.04
1M	1S	Jamaica 7pc '75-78	81¼	31.1	8.77	14.87
15F	15A	Kenya 5pc '78-82	59½	15.1	8.57	14.13
11J	11D	*N.Z. 4pc 1975-78	76½	11.11	5.20	12.10
28F	28A	*Do 6pc '76-80	76	28.1	8.03	13.20
15J	15D	*Do 7½pc '83-86	67¼	15.11	11.66	13.83

††BANKS AND HIRE PURCHASE

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Feb.	Aug.	Alderman Sec. 10p.	16	21.4	13.7	2.4	13.2	4.9
Aug.	Mar.	Alexanders D. £1.	190	27.1	10.9	—	8.8	—
—		Algemene Fl 100.	£114	8.5	Qh20	1.8	3.0	24.8
Oct.	June	Allen Harvey £1	260	21.3	13½	—	8.0	—
Dec.	June	Allied Irish	113	11.11	Qh19.2	—	4.2	—
April		Anglo Contal	37	26.3	—	—	—	—
Jan.	July	Arbuthnot L. £1	160	25.11	7	—	6.7	—
July	Jan.	Aust. & N.Z. £1	405	9.12	9.1	—	3.5	—
F.My.Ag.Nv.		BankAmer $3.125	£34	28.10	Q$1.48	—	1.9	—
April		Bk. Hapoalim I£1	30	8.4	Qsh9.4	—	2.2	—
July	Jan	Bk. Ireland £1	480	11.11	Q24	—	5.1	—
Sept.	April	Bk. Leumi A(£1)	20	......	21.8	Q16	—	5.8
Aug.	Feb.	Bk. Leumi (UK) £1	225	27.1	7¼	—	5.1	—
June	Dec.	Bk. N.S.W. $A2	620	9.12	Q28c	—	2.6	—
Oct.	May	Bank Scotland £1	235	7.4	8.3	◆	5.4	◆
AP.Jy.O.JA.		Bankers N.Y. $10	£29	25.3	Q$3.00	—	3.5	—
Aug.	Apr.	Barclays £1	277	10.3	8.3	4.7	4.6	6.7
Dec.	July	Bates (Edward)	53	30.n	‡20	2.7	‡	5.0
Jan.	June	Bowring (C. T.)	61	28.10	8.4	◆	5.5	◆
Dec.	Apr.	Brown Shipley £1	160	9.12	t7.1	—	6.8	—
Jan.	June	Bryanston	7	25.11	◆‡d4.4	—	‡	—
July	Feb.	Burston Group	18#	22.7	†13.2	2.4	28.3	2.2
Jan.	July	Cater Ryder £1	210	11.11	7.5	—	5.5	—
Mar.	Oct.	Cedar Hldgs. 20p.	13#	1.10	‡7	1.5	‡	6.1
Feb.	Sept.	Com'l Aus. ($A1)	250	10.3	¶1Q14	—	n3.7	—
May		Com'zbk DM104	£141½	6.5	Q17	—	2.1	—
March		C'hgn Hbk Kr100	£221½	7.3	Q11	—	3.5	—
Jan.	May	Corinthian 10p	12	24.5	—	—	—	—
June		Cred France F75	£30½	—	Q9.7	—	2.1	—
May		Dawes (G. R.)	133#	16.10	d21.3	2.0	6.1	12.4
Mar.	Nov.	Dawnay Day	15	11.11	‡4.8	1.3	‡	9.7
June	Sept.	F. C. Finance	53	2.9	13.2	3.1	9.6	5.1
Jan.	June	First Nat. 10p	8½	14.10	1¾	4.0	34.8	1.1
—		Do. Wrrts. 75-83.	4¼	—	—	—	—	—
July		Fraser Ans. 10p	15½	10.6	7.6	—	7.5	—
June	Dec.	Gerrard Natnl	250xd	5.5	48.7	—	7.5	—
Jan.	June	Gibbs (A.)	41xd	5.5	9.9	—	9.3	—
Jan.	July	Gillett Bros. £1	128	10.3	6.7	—	8.1	—
March		Goode D't Mry.5p.	23	10.2	1¾	4.1	5.3	7.2
April	Oct.	Guinness Peat	132	10.2	28.4	—	8.3	—
Dec.	July	Hambros	135	9.12	†25.7	—	7.3	—
—	—	Hawtin 10p	3½#	26.11	‡6.7	3.0	‡	1.7
Dec.	July	Hill Samuel	80	11.11	13.1	—	6.3	—
—	—	Do. Warrants	950xd	5.5	—	—	—	—
Sept.	Mar.	Hong Shng $2.50	230	24.2	Q26	—	2.4	—
June	Nov.	Jessel T'nbee	66xd	5.5	16	—	9.3	—

HOTELS—Continued

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
Mar.	Nov.	Kursaal (M'It. c25)	140	14.10	Q25	1.3	5.0
Apr.	Nov.	Ladbroke 10p	165	7.4	38.7	4.9	3.6
November		Leisure Gen. 10p	33	10.3	†14.8	3.1	6.9
Dec.	July	Lyons (J.) £1 "A"	152	9.12	†7.8	1.8	7.9
July		Mt. Charlotte 10p.	5	24.5	0.6	◆	2.0
Apr.	Dec.	Myddleton 50p	60	10.3	6.8	1.0	8.8
Oct.	Mar.	Norfolk Cap 5p	53#	29.1	‡17.5	1.4	‡
Dec.	June	North (M. F.) 10p	29xd	5.5	6.7	◆	3.6
May		Pontin's 10p	26	10.3	†12.5	2.1	7.4
July		Prince of Wales	42	8.7	9.1	2.9	8.4
Jan.	May	Queen's Moat 5p	10½	14.10	10.5	2.1	7.7
Oct.	May	Rowton Hotels	63	2.9	18.8	◆	12.0
April		Savoy "A" 10p	21	7.4	5	—	3.7
Apr.	Oct.	Stakis (Reo) 10p	13	21.3	7.7	1.4	9.1
Oct.	May	Swansea Hotels 10p	20	21.4	18.7	◆	14.4
Oct.	Apr.	Swan Ryan 5p	12½	10.2	Q42½	†1.0	17.0
Apr.	Nov.	Trust H. Forte	115xd	5.5	29.4	0.8	9.8
Jan.	Aug.	Wheeler's 10p	85	24.12	†40.8	2.2	7.4

INDUSTRIALS (Miscel.)

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
Apr.	Oct.	A.A.H.	110	21.3	†31	2.5	10.8
Jan.	June	AD Int.	87	9.12	◆†8.5	2.8	3.8
May	Oct.	AGB R'sarch 10p	39	21.3	18.3	◆	7.2
Mar.	Sept.	A.V.P. Inds.	51	18.2	9.0	4.3	7.5
Oct.	Apr.	Aaronson Bs. 10p.	42	24.2	15	2.6	5.5
Mar.	Sept.	Abbey Ltd.	35	19.8	‡Q25	1.4	‡
Jan.	May	Abrasives Int 10p.	14	11.11	14.0	◆	16.6
—		Agar Cross £1	17	12.61	—	—	—
Feb.	Oct.	Airfix Inds. 20p	85	9.12	†13.1	3.3	4.8
Feb.	Oct.	Do. N/V 20p	50	9.12	†13.1	3.3	8.1
Feb.	Nov.	Allied Invs. 5p	52	24.12	†15.7	†2.8	2.3

BUILDING INDUSTRY—Continued

DRAPERY AND STORES—Continued

ENGINEERING—Cont.

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Hire Purchase, etc.

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CHEMICALS, PLASTICS

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BUILDING INDUSTRY, TIMBER & ROADS

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ENGINEERING, MACHINE TOOLS

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

LOANS (MISCEL.)

FOREIGN BONDS & RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 81½% (based on $2.3250 per £)

CANADIANS

S.E. List Premium 81½% (based on $2.3912 per £)

Conversion factor 0.5508 (0.5511)

مكتبة الأصيل

مكتبة الأسد

INDUSTRIALS—Continued

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's	P/E
ar.	Oct.	James (John)	22½	24.3	28.4	1.1	14.4	8.2
ing.	Jan.	James (M) 10p	30	14.10	24.3	♦	13.0	♦
ov.	June	J'rdine M. HK$5	422	11.11	†Q10	♦	1.4	♦
ar.	Nov.	Jentique 5p	8	24.2	19.3	2.2	8.9	7.7
ecember		John-s-n & Ke 12½p	34	14.10	d11.7	3.1	6.6	(3.0)
ct.	Apr.	Johnson Clrs.	39	21.3	8.7	1.6	8.6	11.0
eb.	Aug.	Johnson Mth. £1	273	10.2	19.4	3.5	5.3	5.9
ay	Nov.	Judge Int.	32xd	5.5	17.4	3.7	8.9	4.7
ay	Dec.	Kalamazoo 10p	25	21.4	h15.7	2.3	9.7	7.0
une	Jan.	Kelsey Ind. 12½p	47	9.12	†19¼	4.4	8.1	4.3
	April	Kennedy Sm. 10p	12½	16.2	14.4	1.0	17.7	8.4
ov.	April	Kershaw (A.) 5p	225	10.2	240.1	0.7	2.6	122.6
ct.	Apr.	Kleeman	160	10.3	15.6	4.7	3.7	10.1
January		Kode Int.	30	21.4	4.9	♦	4.9	♦
January		L.C.P. Hldgs.	54	24.12	†10.9	2.9	7.8	6.8
ec.	June	L.K. Ind. Inv.	18	25.11	17.8	3.1	16.8	5.9
pr.	Sept.	L.R.C. Int. 10p	24	13.1	†29.4	2.0	‡	4.1
ov.	Apr.	Lamson Inds.	82	24.2	11	3.5	5.1	8.0
ay	Dec.	Lawtex	31	7.4	10.5	4.2	12.8	2.3
an.	Nov.	Lead Inds. 50p	107xd	5.5	9.4	♦	6.7	♦
ct.	May	Le Bas (Ed.)	40	2.9	5.5	♦	5.3	♦
ec.	June	Leboff Fobel 10p	33	11.11	g2.5	4.4	4.0	9.8
	April	Lebus Harris	28	24.2	8	0.2	11.0	—
pril	Aug.	Leigh (L.) 5p	21	24.12	14.7	9.8	5.4	4.9
an.	Aug.	Leisure Cr. 10p	62	9.12	†5.1	1.3	11.2	10.6
ar.	Dec.	Lep Group 10p	145	24.2	23.9	8.2	2.5	5.7
January		Lesney Prods. 5p	21	14.10	15.5	♦	5.8	♦
eb.	Sept.	Letraset 10p	34	27.1	12	6.2	5.5	4.6
ct.	May	Liden 10p	10½	21.3	1.7	2.4	2.5	21.1
uly	Jan.	Light & Leis. 10p	29	10.3	†23.4	3.6	12.5	3.8
uly	Jan.	Lindsay & Wms.	46	24.12	12.2	♦	10.5	♦
ug.	Mar.	Lindustries	57	27.1	15	3.4	10.1	4.2
ec.	June	Lipton (L.)	48	28.10	18.9	2.7	7.1	8.1
ct.	July	Lloyds Ind. 10p	32	14.10	30	♦	15.6	♦
uly	Feb.	Lon. & Nthn. Sec.	39½	9.12	12.9	2.4	12.5	5.0
ay	Nov.	Long Hmbly. 10p	12½xd	5.5	11.7	3.8	14.4	2.8
pr.	Oct.	Longton Trans.	22	24.2	10.7	‡2.3	18.7	3.6
pr.	Oct.	Lonrho	146	24.2	15.8	4.6	4.2	6.7
ug.	Apr.	Lonsdale Univsl.	59	24.2	14.1	3.1	9.2	5.2
ec.	June	Low & Bonar 50p	185	7.4	16.6	3.8	6.9	5.5
ct.	May	Lyon & Lyon	21	25.11	7.6	1.7	24.6	6.1
ept.	Mar.	MK Refrig'n 10p	40	21.4	†22	5.9	8.5	3.7
une	Dec.	M.Y. Dart 10p	29xd	5.5	12.8	3.8	6.8	5.9
an.	July	Macarmie Ldn. 10p	19	25.11	†13.4	1.7	10.9	9.1
ay	Sept.	Mc'rthy Pr. 20p	54	10.2	†15	2.8	ε9.0	7.1
ept.	Dec.	Macfarlane Gp.	79xd	5.5	11.3	♦	5.5	♦
an.	Oct.	McBride Rbt. 10p	86	21.4	36.8	♦	6.5	♦
ov.	Apr.	McCleery L'A	21	24.2	6.7	3.2	12.3	3.9
ug.	Mar.	Macpherson (D.)	31	24.2	18.0	3.9	18.0	5.1
ct.	Apr.	Md'me Tus'ds 10p	15	10.3	16.6	2.2	8.5	8.2
For Maden & Ireland see Grovebell Grp.								
ec.	June	Magn'l'a Mlg. 10p	46	7.4	20.6	♦	6.9	♦
une	Jan.	Magnet Ag.M.10p	52	24.12	50¼	2.6	14.9	3.8
ct.	Apr.	Man. Ship Can. £1	190	10.2	11.9	3.1	9.9	4.9
an.	May	Marks (A.) 10p	31	14.10	g35.6	5.7	16.7	1.8
eb.	Oct.	Marling Ind. 10p	16	9.12	g8.9	5.4	8.5	3.1
ec.	June	Marshall L'xy	22	21.4	7½	♦	13.1	♦

MINES

CENTRAL RAND

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
Aug.	Feb.	Durban Deep R1	975	24.12	Q110c	♦	7.3
Aug.	Feb.	E. Rand Prp. R1	£11½	24.12	Q115c	♦	6.5
—		Rand Leases 2½c	63	6'58	—	—	—
—	—	Randf'tn Est. R2	£29½	1270	—	—	—
Aug.	Feb.	West Rand R1	320	24.6	Q40c	1.3	8.3

EASTERN RAND

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
May	Nov.	Bracken R1	312	7.4	†Q51c	1.1	10.5
February		Daggafontein 50c	15	172	—	—	—
Aug.	Feb.	East Dag. R1	83	24.12	Q25c	♦	19.4
Aug.	Feb.	Grnt. Areas 5c	140#	671	—	—	—
Aug.	Feb.	Grootvlei 30c	300	24.12	Q32c	1.1	6.9
May	Nov.	Kinross R1	705	7.4	†Q50c	1.5	4.6
May	Nov.	Leslie 80c	143	7.4	†Q22c	1.6	9.9
Aug.	Feb.	Marievale 70c	400	24.12	Q84c	1.1	13.5
Aug.	Feb.	S. African Ld. 35c	575	24.12	Q55c	1.2	9.5
Aug.	Feb.	Vlakfontein R1	200	24.12	Q35c	1.3	11.3
May	Nov.	Winkelhaak R1	£12⅛	30.9	†Q94c	1.2	2.7
	Sept.	Wit. Nigel 25c	71	30.7	Q1c	10.9	0.9

FAR WEST RAND

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
Feb.	Aug.	Blyvoor 25	905	24.12	Q90c	1.3	6.4
Feb.	Aug.	Buffels R1	£19¾	21.3	†Q160c	1.4	5.2
Feb.	Aug.	Doornfontein R1	£11½	24.12	†Q100c	1.4	5.6
Aug.	Feb.	East Drie R1	970	24.12	Q55c	1.8	3.6
—		Do Comb. Units	950	—	—	—	—
Feb.	Aug.	Elsburg R1	385	24.12	Q45½c	1.2	7.6
Feb.	Aug.	Hartebeest R1	£24	24.12	†Q160c	1.7	4.3
Feb.	Aug.	Kloof Gold R1	£11¼	24.12	‡Q79c	2.2	‡
Feb.	Aug.	Libanon R1	£14¼	24.12	†Q100c	2.0	4.5
—	—	Southvaal 50c	£10½	24.12	Q9c	♦	0.6
Aug.	Feb.	Stilfontein 50c	420	24.12	Q55c	1.3	10.0
Aug.	Feb.	Vaal Reefs 50c	£29½	24.12	Q220c	1.7	4.8
Feb.	Aug.	Venterspost R1	820	24.12	†Q75c	1.7	5.9
Feb.	Aug.	W. Drie R1	48½	24.12	†Q400c	1.2	7.8
Jan.	Aug.	W'st'rn Areas R1	615	24.12	Q70c	1.4	7.3
Feb.	Aug.	Western Deep R2	£20¼	24.12	Q160c	♦	5.1
Feb.	Aug.	Zandpan R1	420	24.12	†Q27c	1.0	4.2

O.F.S.

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
	Sept.	Fr. State Dev. 50c	360	24.12	†Q12c	1.8	2.1
May	Nov.	F.S. Geduld 50c	£28¾	30.9	†Q310c	1.1	7.2
May	Oct.	Harmony 50c	790	21.3	Q77c	♦	6.3

MISCELLANEOUS

Dividends Paid		Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
—		Charterhall 5p	42	3'67	—	—	—
—		Colby Mines $1	75#	—	—	—	—
Aug.	Feb.	Cons. Murch. 10c	695	24.12	Q130c	2.2	12.0
—	—	Laurasia	37½	—	—	—	—
—		NRD $1	16	—	—	—	—
	July	Northgate C$1	335	30.9	Q65c	1.0	8.4
Jan.	June	R.T.Z.	201	21.4	19.9	4.4	3.8
—		Sabina Inds. C$1	115	—	—	—	—
—		Stanford Mines $1	65	—	—	—	—
—		Tara Explo. $1	£11½	—	—	—	—
—	—	Yukon Cons C$1	69	11'65	—	—	—

NOTES

Unless otherwise indicated, prices are in pence, denominations are 25p and dividends are in net percentage terms. Estimated price/earnings ratios and covers adjusted to corporation tax of 52 per cent. on imputation system and 35 per cent. ACT. P/Es calculated on "net" distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on increased ACT, are based on middle prices, are gross and allow for value of declared distributions and rights.

Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- ▲ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ♦ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- ♦ Based on 1973 profits.
- ♦ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ‡ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♦ Excluding a final dividend declaration.
- ♦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment.

A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1973-74. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

"Recent Issues" and "Rights" Page 27

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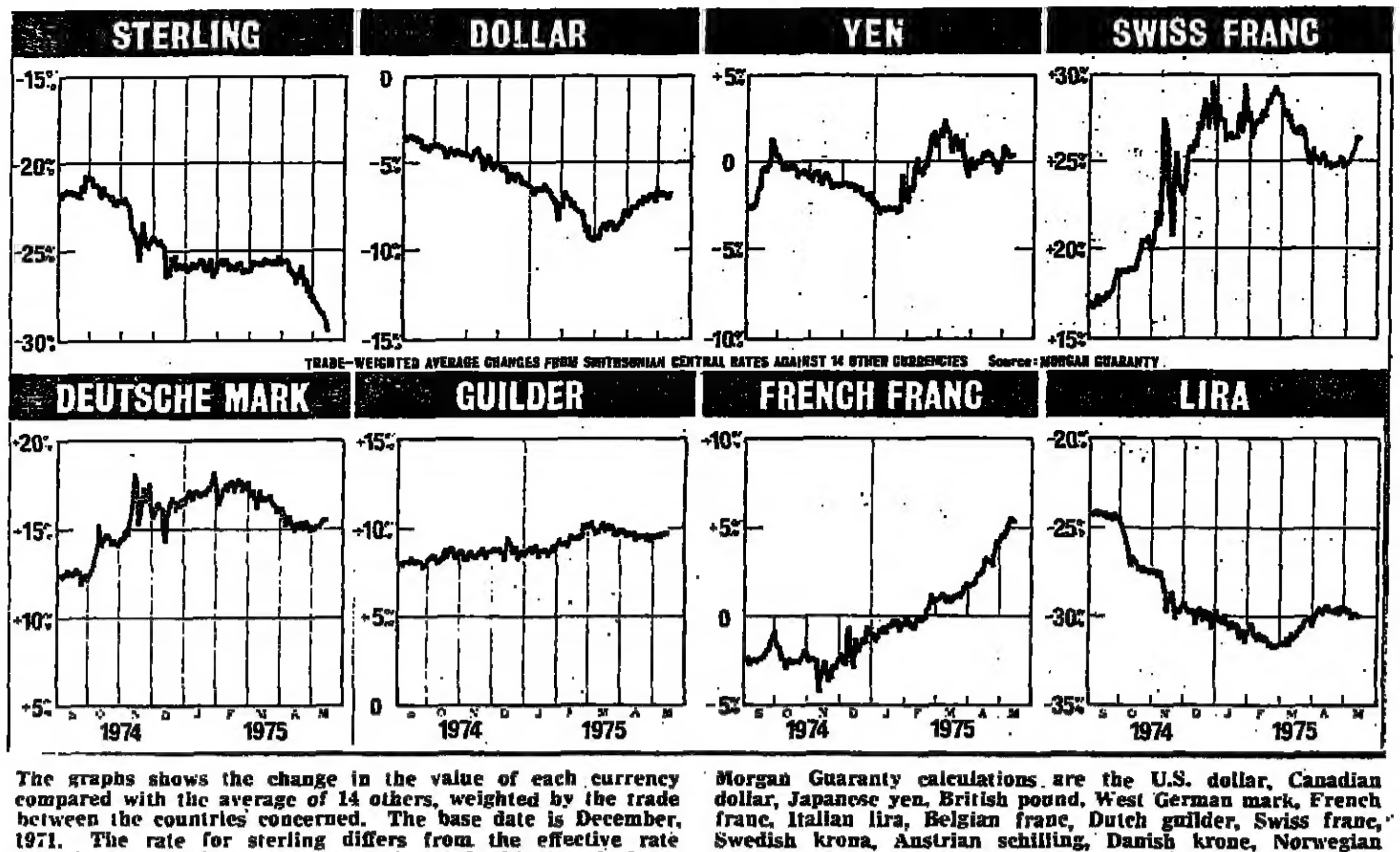
FINANCIAL TIMES
Monday May 12 1975

BRC
Specialists in Reinforced Concrete Design
& Suppliers of Reinforcement

How major currencies have moved



The graphs shows the change in the value of each currency compared with the average of 14 others, weighted by the trade between the countries concerned. The base date is December, 1971. The rate for sterling differs from the effective rate published twice daily by the Bank of England, which is calculated against only 10 other currencies. The 15 currencies in the Morgan Guaranty calculations are the U.S. dollar, Canadian dollar, Japanese yen, British pound, West German mark, French franc, Italian lira, Belgian franc, Dutch guilder, Swiss franc, Swedish krona, Austrian schilling, Danish krone, Norwegian Krone, and Australian dollar. The last four are excluded from the Bank of England calculations.

Laos on brink of bloodless Communist takeover

BY OUR ASIA CORRESPONDENT

THE COMMUNIST Pathet Lao were last night on the brink of an effectively bloodless takeover of Laos, the only one of the three Indo-China countries not yet completely controlled by Communists.

Over the week-end, the Right-wing Nationalists in the fragile tripartite coalition suffered a series of military and political reverses which meant that the Pathet Lao could virtually claim the country at any time they wished.

On Saturday, four Nationalist Minister in the coalition resigned. Their places were expected to be taken by Neutralists, giving the Pathet Lao control of the Cabinet.

The Communists also announced yesterday that Neutralist troops guarding the key town of Vangvieng, 60 miles north of the administrative capital of Vientiane, had allied themselves to the Pathet Lao, although they were still loyal to the coalition led by the Neutralist Prince Souvanna Phouma.

Nearly all the Nationalist generals failed to turn up at ceremonies in Vientiane to mark the 28th anniversary of the Laos constitution. And while the constitutional celebrations were going on, a group of more than 100 army officer cadets revolted, expressing dissatisfaction with "bandits who loot the people." The cadets claimed that several Right-wing leaders had asked them to join a coup against the coalition government, but they had refused.

Throughout the week-end thousands of people tried to flee the country. Businessmen jostled for seats on aircraft and flights were reported booked for more than a week. Other people left on boats crossing the Mekong River into Thailand. At least one of the ex-Nationalist Ministers left the country by river.

The Pathet Lao news agency claimed that Right-wing Nationalist leaders were packing up to leave the country. It said the former Defence Minister, Prince Sisouk Na Champassak, "is putting up his house for sale and preparing to take his family to Thailand." Another Nationalist was described as ready to take refuge in Switzerland.

Prince Souvanna Phouma said at yesterday's ceremonies to mark the independence of Laos from French colonial rule, that "all around the kingdom important changes have occurred." He is due to make a major speech to-day.

Laos, poor, landlocked, and with 3m. people, has been governed by the coalition of Nationalists, Pathet Lao and Neutralists for barely two years. Before that, the "kingdom of a million elephants" was torn by war for more than a decade.

Under the coalition arrangement, the Nationalists and the Pathet Lao each have five Cabinet seats and the Neutralists have two. Each Nationalist Minister has a Pathet Lao deputy and vice versa.

When the official war ended, the Pathet Lao had won more than half of the country. Last month, about the time of the fall of Phnom Penh to the Communist-led Khmer Rouge, fighting flared up seriously again in Laos and the Communists seized control of a key crossroads on Highway 13 linking Vientiane with the royal capital of Luang Prabang.

A ceasefire was hurriedly patched up last week with the Pathet Lao forces only 70 miles from Vientiane.

Kuwait offers IMF cash for recycling

By Paul Lewis, U.S. editor, in Washington

KUWAIT has become the latest oil exporter to contribute to this year's IMF petrodollar recycling facility, with an initial offer of between Special Drawing Rights 200m. and 300m.

This brings the total amount of money collected by the IMF so far for relending to oil importing nations, to about SDR.3.5bn.—still appreciably below the target figure of SDR.5bn. set by Ministers last January.

However, while the IMF has yet to approach Nigeria, which is prepared in principle to contribute, it also has reason to believe that both Iran and Saudi Arabia will make more money available later this year and that Kuwait may join them.

As a result, officials here are still hopeful that the recycling facility will come close to reaching the target set for it—and, in any case, greatly exceed the SDR2.9bn. borrowed from the oil exporters last year.

Hambros tanker loans

BY MARGARET REID

HAMBROS, the merchant banking group whose shares have recently weakened, plans to comment next month about the situation concerning its loans to the problem-beset oil tanker sector of commerce.

Its remarks are expected with the announcement of the past year's results of the company, whose shares last week fell 11p to 135p, compared with a 1975 range of 218p and 58p.

The group, which includes Hambros Bank, one of the City's 17 high-ranking accepting houses, has traditionally made considerable loans in the form of ship mortgages.

It is no secret that some of the operators who have borrowed from it, notably Norwegian shipowners Hilmar Reksten and Haag Waage, have been hit by the slump in the world tanker market caused by the oil crisis.

It is generally known that, against this background, efforts are under way to renegotiate certain of the Reksten and Waage chartering or building contracts.

Reports of these renegotiations and the possible repercussions that might be felt by Hambros as providers of finance, have been current for some time and tended to build up late last week.

Hambros, who view their lending policy as one based on the requirement of good security, do not at present plan to say anything publicly about the situation.

Speculation

But a further run of speculation about tanker problems could lead to some comment in advance of next month's results.

Meanwhile, after the weakening of the share price, it was being underlined in authoritative City circles that the soundness of Hambros position—as of all accepting houses—is beyond question and that it is "undoubted for its engagements."

However marked problems are, tanker operators have approached the present with large reserves.

In its half year statement in November, Hambros, whose chairman is Mr. Jocelyn Hambro, said that its profits for the six months to September 1974, after making provision for unrealised falls in security values, were materially down on those of the corresponding previous half year. It was then considered impossible to predict the full year results.

The statement then said, that in the absence of unforeseen circumstances, it was the Board's intention to recommend the same rate of increase in the final dividends as in the interim payments, which were raised by some 12½ per cent.

An important point is that it is the bank's normal policy to expect its loans to be covered at least twice by the security for them. This approach would afford a substantial cushion against a fall in the value of security.

In view of the setback in tanker values since quintupled petroleum prices hit world oil trade, it is not surprising that tanker owners—with considerable laid-up tonnage—should be seeking to renegotiate certain present charter rates and perhaps to defer payment.

There are also indications of moves in some quarters to cancel shipbuilding orders even at substantial penalties.

Weather

U.K. TO-DAY

DRY, sunny start in East, but cloud and rain spreading from West to most parts.

London, S.E., Cent. S. England, Midlands, Channel Is.

Increasingly cloudy with rain in places. Wind light. Max. 14C (57F).

E. Anglia, E. England

Dry, sunny periods, scattered showers near coasts. Wind N., light. Max. 11C (52F).

S.W. England, S. Wales

Cloudy, some rain. Wind mostly S.W., moderate. Max. 13C (55F).

N. Wales, N.W., Cent. N. England, Lakes, I. of Man, S.W Scotland, N. Ireland

Cloudy with rain at times. Wind light, variable. Max. 11C (52F)

N.E. England, Borders, Edinburgh and East Scotland, Aberdeen, Cent. Highlands, Moray Firth, Caithness

Bright intervals, but mostly cloudy with rain at times. Wind S.E. moderate. Max. 13C (55F).

Glasgow, Argyll, N.W. Scotland

Mostly cloudy, with rain. Wind moderate. Max. 13C (55F).

Orkney, Shetland

Sunny periods, scattered showers. Wind N., light to moderate. Max. 10C (50F).

Outlook: Cloudy, with rain in most parts.

Lighting-up: London 21.09 Manchester 21.27, Glasgow 21.45 Belfast 21.47.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexndria.	F	25	77	Luxembg.	F	16	61
Amstrdm.	C	13	55	Madrid	C	14	57
Athens	S	21	70	Manchstr.	F	11	52
Bahrain	S	31	87	Melbourne	C	21	70
Barcelona	C	17	63	Mexico C.	C	16	61
Beirut	F	23	73	Milan	R	13	55
Belfast	F	11	52	Montreal	S	21	70
Belgrade	F	22	72	Moscow	S	23	73
Berlin	C	20	68	Munich	F	18	64
Birmghm.	C	10	50	Newcastle	C	10	50
Bristol	C	13	55	New York	S	21	70
Brussels	C	15	59	Paris	F	15	59
Budapest	F	21	70	Perth	S	21	70
B. Aires	C	19	66	Prague	F	20	68
Cairo	S	30	86	Reykjavik	S	1	34
Cardiff	S	12	54	Rio de J'o	S	26	79
Cologne	C	18	64	Rome	C	18	64
Copnhagn.	C	12	54	Singapore	C	27	80
Dublin	C	11	52	Stockholm	F	19	66
Edinb'gh	C	12	54	Strasb'g	S	18	64
Frankfurt	F	18	64	Sydney	S	19	66
Geneva	R	12	54	Tehran	C	22	71
Glasgow	F	11	52	Tel Aviv	S	22	71
Helsinki	F	20	68	Tokyo	S	21	70
H. Kong	C	27	80	Toronto	S	21	70
Jo'burg	S	22	71	Vienna	S	21	70
Lisbon	C	17	63	Warsaw	C	16	61
London	C	10	50	Zurich	C	16	61

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	C	16	61	Jersey	S	10	50
Algiers	F	20	68	Las Plms.	F	21	70
Biarritz	C	12	54	Locarno	R	11	52
Blackpool	S	11	52	Majorca	F	21	70
Bordeaux	C	16	61	Malaga	F	19	66
Boulogne	C	9	48	Malta	S	21	70
Casablnca.	F	18	64	Nairobi	S	23	73
Cape Town	S	16	61	Naples	C	21	70
Corfu	F	22	72	Nice	R	13	55
Dubrovnik	C	19	66	Nicosia	T	22	72
Faro	C	20	68	Oporto	C	17	63
Florence	R	15	59	Rhodes	S	22	72
Funchal	F	17	63	Salzburg	F	20	68
Gibraltar	F	18	64	Tangier	F	17	63
Guernsey	F	12	54	Tenerife	C	14	57
Innsbruck	C	17	63	Valencia	C	18	64
Inverness	C	8	46	Venice	F	19	66
Istanbul	C	15	59				

S—Sunny. C—Cloudy. F—Fair. R—Rainy
T—Thunderstorm.

Continued from Page 1

Wilson warns Ministers

had "many of the qualities of a great Old Testament prophet without a beard, who talks about the New Jerusalem he looks forward to."

But, Mr. Wilson insisted, Government policy was decided quite clearly by the Cabinet. On all the controversial issues, such as a mixed economy, the National Enterprise Board and public ownership, "the Cabinet has clearly decided, and we shall stick to that decision."

Mr. Wilson went on to issue a mild rebuke to Mrs. Shirley Williams, the Prices Secretary, who was involved in a row over economic policy with Mr. Benn at last week's meeting of the National Economic Development Council.

Mr. Wilson argued that Mrs. Williams had been perfectly free to make the suggestion that Opposition leaders should be included in the discussions, but he did not think it was a very good idea.

The future of Mr. Benn is certain to be a major talking point at Westminster until the Prime Minister makes his expected Ministerial reshuffle shortly after the referendum.

The present indications are that Mr. Wilson will not seek to dismiss Mr. Benn from the Cabinet, but will remove him from the Department of Industry and install him in a politically less-sensitive department, such as Education and Science, or Social Security.

The big question mark in such circumstances will be whether Mr. Benn accepts what he will regard as a downgrading, or will prefer the martyr's role, and retire to the backbenches in the belief that he will be well placed in the future to challenge for the Labour leadership with Left-wing support.

Blame

Mr. Wilson placed a great deal of blame for the "neurotic fears" about the economic situation on American commentator Mr. Eric Sevareid, whose television report last week he described as "very sensational and cataclysmic and not related to the real facts."

The Prime Minister also criticised journalists, commentators, and some politicians for "rushing round like wet hens as though some devastating crisis has hit the country." In his view, no one was paying sufficient attention to the fact that many things were going well.

"The problems are as great as ever, but they are not worse and nothing has happened that in any way reduces the capacity of Britain to overcome these problems."

Mr. Sydney Bidwell, Labour MP for Southall and chairman of the Left-wing Tribune group, last night reminded Mr. Wilson that the Labour Government's chief support should come from the TUC. In a sceptical comment on the Premier's television performance, he said that pronouncements on matters such as an annual get-together with the CBI and TUC should be taken with a pinch of salt.

"The resting place for the Labour Government is the TUC and a complete understanding with it and no amount of fatherly chats, pipe-smoking or spirit-drinking can overcome these reflections."

Heseltine: 33,000 BL jobs may go

BY RAY DAFTER

A WARNING that as many as 33,000 British Leyland employees could lose their jobs under the terms of the Government's rescue operation was given yesterday by Mr. Michael Heseltine, Conservative spokesman on industry.

He has written to Mr. Anthony Wedgwood Benn, Industry Secretary, asking him to "come clean" on the level of redundancies envisaged among British Leyland's 170,000 workforce.

So far, no figures have been given, although Sir Don Ryder's report on the company suggests savings could be achieved by "manning reductions, greater mobility and interchangeability of labour."

Mr. Heseltine, in his letter, said that to achieve these savings of £400m., as planned, between 19,000 and 33,000 would have to be made redundant. The numbers varied depending on the phasing of the redundancies and the degree of inflation built into the savings figure.

He said later that although he was not suggesting his figures were right, they were an indication of the sort of staff cuts needed.

Call for debate

In order to encourage the fullest public debate and understanding of the Government's proposals it was essential to have an explanation about employment prospects and a clear indication of how the £400m. saving was to be made.

"I think that we have such a serious situation in this country that until the whole nation is told the facts, unpalatable as they are, about British overmanning and the relative inefficiency of Britain compared with other countries, we can never expect that resolve from the nation without which we cannot begin to fight back."

The Department of Industry said that Mr. Benn's office had received the letter, which was being considered. A reply would be made in due course.

Mr. Heseltine's letter comes as Mrs. Judith Hart, as secretary of the Labour Party's national executive council industrial policy sub-committee, steps into the British Steel controversy.

She wants to know how Sir Monty Finniston, British Steel's chairman, decided on the figure of 20,000 for the number of redundancies he has called for in the industry.

Managing director of Jaguar quits

By Peter Cartwright, Midlands Correspondent

MR. GEOFFREY ROBINSON, Managing Director of Jaguar, has resigned rather than accept an alternative job with British Leyland.

The recommendations of the Ryder report that all BLM car interests—Jaguar, Rover, Triumph, and Austin Morris—should be put into one division, and the appointment of Mr. Derek Whittaker as its managing director, immediately raised speculation among senior Jaguar management as to Mr. Robinson's future role. A few days ago, it is understood, he was offered the alternative job of heading the body-making activities of the Corporation.

Mr. Robinson, having already stated his belief in a separate specialist car division, felt unable to accept this job.

THE LEX COLUMN

Half way to the first billion

Plainly there will be many more rights issues this year, but the pressure does seem to be easing. It is still apparently possible to book dates in July, even though the Bank of England appears to have been thinning out the queue—to no more than two large issues a week—in response to the signs of congestion that appeared in March, and even though there is likely to be a quiet couple of weeks around June 5, just as there was around Budget time.

The earlier stampede reflected the nervous feeling that the market rally might be no more than a nine days' wonder. Now finance directors and their bankers can take a rather more measured view, for fears of a renewed equity market crisis have receded, and it appears probable that the fund-raising season will stretch at least to the end of the year.

The City is, of course, hugely pleased that its role as a primary capital market has been convincingly restored, a renaissance which is especially welcome at a time when Mr. Tony Benn and even bodies like NEDO are keen to set up committees of wise men to channel institutional funds into manufacturing investment. But with nearly £500m. of new equity or Convertible capital raised since late-February, it is worth taking a look at just where the cash is going: the question is not just whether industry is getting the capital it needs but also whether investors can hope to get the return they deserve.

Financial sector

It is striking that the financial sector has taken a disproportionate share of the money raised so far, at nearly £170m., including the Prudential's £46m. effort last week. Manufacturing has claimed just over £200m., the bulk of it for engineering (£80m.) and food (£60m.). For the rest, there have been the opportunistic moves by RTZ and Consolidated Goldfields, while property and construction account for a tenth of the total if Rank Organisation's offer (the proceeds of which were largely earmarked for property development) is included.

Large sectors have been missing entirely—with nothing for textiles, stores, merchant banks; breweries (though Imps did place BAT shares worth £77m.) and electricals (apart from EMI). There is time for this picture to change, but the pattern must say something about relative balance-sheet pressures, and the capacity to counter them internally.

The financial sector, for instance, suffers from its well-documented inability to generate the returns and retentions which could keep capital bases rising in step with inflation. Food manufacturing has been hard-hit by rising raw material prices combined with price controls. Engineering has been suffering from long production cycles and exceptionally large price rises in, especially, steel. In contrast, chemical profits—for instance—have until recently been very high, and the Croda and Yorkshire Chemicals issues can be more convincingly linked to genuine physical expansion.

The nagging conclusion is that the current recapitalisation of the corporate sector may prove more beneficial to the country than it will be for investors. The machinery of the City is marvellously effective in times like these in producing cash—and profitable for its practitioners, too, for underwriting fees total more than £6m. so far without any commitments having had to be taken up (though public sector issues like the GLC stock tell a rather different story).

Rights issue procedures do not encourage much close scrutiny of the reasons for capital raising or of the alternatives. An issue is decided on behind closed doors. Sub-underwriters have only a few hours to make up their minds, and generally are only concerned with the market background rather than the particular rights and wrongs of the issue. Shareholders al never exercise their theore rights to fail to approve ca increases (although in a slig different connection Associ Fisheries and British Ley have found that requests higher borrowing limits are simply formalities).

The real constraints

The real restrictions imp by the market are that an i does become impossible for quality companies (Br Leyland squeaked throug 1972 but only just) whil overall constraint is impose market capitalisations.

Indeed, the amount raise companies is surprisingly flexible. Virtually all the r major issues have been one-for-four or one-for-five at between 15 and 30 per below the previous night's p This means that the new f are fixed quite rigidly at tween 15 and 20 per cen the pre-rights capitalisation are largely independent of identifiable requirements o firm.

This is inconvenient whe market drops just ahead o issue, as it did for Tube In ments, and it was also a restriction for Midland Ba where the ratios could justified £100m. rather tha £52m. raised. On the hand, it may encourage panies—like Sun Alliance o Pru—to raise more than really need, just to be o safe side.

This lack of discriminati which at its worst can allo Rolls-Royces and B Leylands to take advanta their market capitalisatio order to put off an evil c forms part of the City's ge unwillingness to interfer specific management situat Only in a real crisis—as UDT last August—are st attached to the money.

It is a portfolio mental the institutions can absorb losers so long as there are winners. But to be succe the approach relies on external pressures being or less neutral, which they tainly are not at present. disquieting thought is that inflow of cash may be encou ing managements to fail adjust to inflation, just as long term institutions' sup of the gilt-edged market helped Governments to pro the inflation in the first pla

Before you shelve your industrial expansion plans, read this:

There is still one country in the EEC where the economic climate is warm and favourable to industrial expansion projects.

The EEC's own barometer predicts that the Republic of Ireland's GNP will keep on growing 5% a year to 1978.

In these inflationary times, the Republic retains its significant wage-cost advantage over the other European countries.

Industrial relations continue improving under successive national wage agreements. Over the past decade, Ireland showed the smallest percentage increase in days lost through strikes of any industrial country in the world, including EEC countries, the U.S. and Japan. In 1974 alone, days lost fell to 35 days per 100 workers.

The national land bank for future industrial needs now stands at 3,000 acres of prime sites. The Republic's investment in land and advance factories available for new industries has reached £6.2 million.

Manufactured exports, representing one-third of the nation's total industrial production, has now achieved a record £680 million a year.

Another record is that, in the twelve months ended March 1974, a total of £300 million was invested in new industry—more than double the previous year's £134 million. Acting through its industrial development arm, IDA Ireland, the Irish Government is contributing 25% of that £300 million total in the form of non-repayable cash grants towards fixed assets. Some overseas firms locating factories in Ireland will be receiving grants of as much as half their total investment.

The government is continuing to waive taxation on profits earned from export sales until 1990. Profits and capital may be freely repatriated to the parent country.
Recent decisions to expand in the Republic of Ireland have been made by: Asahi, Syntex, Poclain, Braun A.G. (Gillette Group), and Merck Sharpe & Dohme.

For all information on industrial investment opportunities, contact your nearest office of IDA Ireland, the organisation established by the Irish Government to administer its package of financial incentives and operat its range of establishment services.

Our man in London is Hugh Alston 01-629-4214, or 01-499-6155.

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